Other Grants Guidelines (Education) Amendment (No. 3) 2020

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

Dated: 12 December 2020

Dan Tehan
Minister for Education

Contents

1 Name

This instrument is the *Other Grants Guidelines (Education) Amendment (No. 3) 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. The whole of this instrument	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Note: This table relates only to the provisions of this instrument as originally made.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*.

4 Schedules

Each instrument that is specified in a Schedule to this instrument is amended 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 Part 3 of Chapter 1 of the *Other Grants Guidelines (Education) 2012* made by Schedule 1 of this instrument, that Part, as in force immediately before the commencement of this instrument, continues to apply on and after that commencement in relation to a grant made under the Higher Education Participation and Partnerships Program in respect of the 2020 grant year.

Schedule 1—Amendments

Other Grants Guidelines (Education) 2012

1 Clause i.ii (definition of *people or student from a low socio-economic (SES) background*)

Repeal the definition.

2 Clause i.ii – Interpretation (after definition of *AMC Institute*)

Insert:

campus	means the physical location at which a provider delivers a unit of study. For on-line/distance education courses or where studies require attendance at locations such as a health centre, teaching hospital or agricultural farm, the campus is the location from which the course is administered.

3 Clause i.ii – Interpretation (after definition of *the Department*)

Insert:

external	means a mode of attendance for a unit of study whereby the provider delivers the course materials to the student and the student is not required to attend classes on campus on a regular basis.

4 Clause i.ii – Interpretation (after definition of *Field of Education (FOE)*)

headquarters	means a provider's campus location where the sum of the internal and multi-modal EFTSL of Commonwealth supported students is the largest.
HEIMS	means the Higher Education Information Management System.

5 Clause i.ii – Interpretation (after definition of *HESDC*)

Insert:

internal	means a mode of attendance for a unit of study whereby the student must attend classes at the provider's facilities on a regular basis.

6 Clause i.ii – Interpretation (after definition of *Minister*)

Insert:

| *multi-modal* | means a mode of attendance for a unit of study that is undertaken partially in an internal mode of attendance and partially in an external mode. |

7 Clause i.ii – Interpretation (after definition of *ISP*)

Insert:

| *low SES background* | refers to a student or person who has a home address in the lowest quartile, by Statistical Area 1, as referred to in the document published by the Australian Statistician entitled Socio-Economic Indexes for Areas (SEIFA). |

8 Chapter 1 – Grants to Promote Equality of Opportunity in Higher Education

Repeal Part 3, substitute:

PART 3 – INDIGENOUS, REGIONAL AND LOW SOCIO-ECONOMIC STATUS ATTAINMENT FUND (IRLSAF)

1.40 Purpose

1.40.1 The Indigenous, Regional and Low Socio-Economic Status Attainment Fund (IRLSAF) is specified as a program for the purposes of subsection 41-15(1) of the Act. This Part also specifies matters listed in subsection 41-15(2) of the Act in relation to that program.

1.40.5 The purpose of the IRLSAF is to promote equality of opportunity in higher education, in accordance with item 1 of the table in subsection 41-10(1) of the Act, by providing grants to higher education providers, to encourage the enrolment of Indigenous persons, people from a regional area or a remote area, and people from a low SES background.

1.41 Program objectives

1.41.1 For the years 2021, 2022 and 2023, the IRLSAF consists of five components:

  (a) the Higher Education Participation and Partnerships Program (HEPPP);

  (b) the National Priorities Pool Program;

  (c) the Regional Partnerships Project Pool Program;

  (d) the Regional Loading Program (RLP); and

  (e) the Enabling Loading Program (ELP).

The specific objectives of each component are set out in Divisions 1 to 5 of this Part.

1.41.5 Each component listed at section 1.41.1 above is specified as a separate program for the purposes of subsection 41-15(1) of the Act.

1.42 Extra conditions of eligibility

1.42.1 Table A providers are eligible to receive grants under the HEPPP, the National Priorities Pool Program, and the Regional Partnerships Project Pool Program.

1.42.5   The following bodies corporate are also eligible to receive grants under the Regional Partnerships Project Pool Program:

(a) a body corporate that is in receipt of a grant under the Regional University Centres Program.

1.42.10 The following higher education providers are eligible to receive grants under the Regional Loading Program, if they meet the extra conditions of eligibility specified in section 1.57:

(a) Table A providers; and

(b) The University of Notre Dame Australia.

1.42.15 The following higher education providers are eligible to receive grants under the Enabling Loading Program:

(a) Table A providers; and

(b) The University of Notre Dame Australia.

1.43 Conditions of grant

1.43.1   In addition to any conditions imposed by these Guidelines, the recipient of a grant under the IRLSAF must also comply with any terms of the grant approval imposed by the Minister.

Division 1 – Higher Education Participation and Partnerships Program (HEPPP)

1.44 Program objectives

1.44.1   The key objective of the HEPPP is to promote equality of opportunity in higher education by improving:

(a) outreach to widen aspiration and promote higher education to persons from a low SES background, persons from regional areas and remote areas, and Indigenous persons; and

(b) the extent to which persons from a low SES background, persons from regional areas and remote areas, and Indigenous persons access, participate, remain and succeed in higher education, and obtain higher education awards.

1.45 Total HEPPP (formula-based funding) funding

1.45.1   For the years specified below, the total amount of HEPPP funding available will be as follows:

2021: $138,009,092

2022: $138,277,399

2023: $139,274,443

Note: these amounts will be adjusted using the method of indexation set out in Part 5-6, Division 198 of the Act, and to take into account the rollover of any grant amounts from previous years under section 41-40 of the Act.

1.45.5 The total amount of HEPPP funds available in 2024 and later years will be determined by the Minister.

1.46 Distribution of HEPPP funds

1.46.1 Grants will be made to eligible higher education providers each calendar year based on the provider's respective share of domestic undergraduate students from a low SES background, students from regional areas and remote areas and Indigenous students.

1.47 Calculation of grant amounts

1.47.1 Grant amounts for the below years will be calculated using the following formulae:

$$2021: \left((A \times 0.75) \left(\frac{B}{C} \right) \right) + \left((A \times 0.25) \left(\left(0.45 \left(\frac{B}{C} \right) \right) + \left(0.45 \left(\frac{D}{E} \right) \right) + \left(0.1 \left(\frac{F}{G} \right) \right) \right) \right)$$

$$2022: \left((A \times 0.5) \left(\frac{B}{C} \right) \right) + \left((A \times 0.5) \left(\left(0.45 \left(\frac{B}{C} \right) \right) + \left(0.45 \left(\frac{D}{E} \right) \right) + \left(0.1 \left(\frac{F}{G} \right) \right) \right) \right)$$

$$2023: \left((A \times 0.25) \left(\frac{B}{C} \right) \right) + \left((A \times 0.75) \left(\left(0.45 \left(\frac{B}{C} \right) \right) + \left(0.45 \left(\frac{D}{E} \right) \right) + \left(0.1 \left(\frac{F}{G} \right) \right) \right) \right)$$

$$2024 \ and \ later \ years: \ A \left(0.45 \left(\frac{B}{C} \right) + 0.45 \left(\frac{D}{E} \right) + 0.1 \left(\frac{F}{G} \right) \right)$$

Where:

A   is the total amount available for the year under the HEPPP (see section 1.45.1);

B   is the total number of domestic undergraduate students from low SES backgrounds enrolled at the relevant higher education provider in the most recent year for which HEIMS data is available;

C   is the total number of domestic undergraduate students from low SES backgrounds enrolled at all Table A providers in the most recent year for which HEIMS data is available;

D   is the total number of domestic undergraduate students with a permanent residential address in a regional area or a remote area at the time the person first enrols in a course of study with the relevant provider, in the most recent year for which HEIMS data is available;

E   is the total number of domestic undergraduate students at all Table A providers that
         have a permanent residential address in a regional area or a remote area at the time
         the person first enrols in a course of study with their provider, in the most recent year
         for which HEIMS data is available;

F   is the total number of domestic undergraduate Indigenous persons enrolled at the
         relevant higher education provider in the most recent year for which HEIMS data is
         available;

G   is the total number of domestic undergraduate Indigenous persons enrolled at all
         Table A providers in the most recent year for which HEIMS data is available;

1.47.5 For the avoidance of doubt, when calculating the grant amount for a year under
        section 1.47.1, any grant amounts that were rolled over from the previous year under
        section 41-40 of the Act must not be taken into account.

1.48 Eligible grant activities

1.48.1 Grants made under the HEPPP must be spent on equity activities that:

        (a) target current and prospective domestic undergraduate students from low SES
            backgrounds, students from regional areas and remote areas and Indigenous
            students; and
        (b) support tailored programs that address the specific disadvantages, as appropriate,
            faced by the provider's students, and prospective students, from low SES
            backgrounds, regional areas and remote areas, and Indigenous populations.

1.49 Ineligible activities

1.49.1 Grants made under the HEPPP must not be spent on:
        (a) infrastructure, which includes all buildings, fixtures, roads, pathways and
            modifications thereof; or
        (b) general facilities and services and transport vehicles that are not principally for
            the benefit of students from low SES backgrounds, students from regional areas
            and remote areas, or Indigenous students.

1.50 Specific conditions on HEPPP grants – reporting

1.50.1 The provider must submit reports and financial acquittals to the Department in the
        form, and at the times, specified by the Department in writing and to the satisfaction
        of the Department.

1.50.5 The provider must report to the Department in accordance with any reporting
        requirements set out in the Evaluation Framework specified by the Department, once
        the Evaluation Framework is in place.

Division 2 – National Priorities Pool Program

1.51 Program objectives

1.51.1 The objective of the National Priorities Pool Program is to provide grants to higher
        education providers to conduct research projects and trial initiatives designed to:

(a) inform future equity policy development and equity practice nationally and at an institutional level;

(b) help increase the number of persons from a low SES background, persons from regional areas and remote areas, and Indigenous persons who aspire to, access, participate in, remain in, and succeed in higher education; and

(c) help increase the number of persons from a low SES background, persons from regional areas and remote areas, and Indigenous persons who obtain higher education awards.

1.52 Total amount of National Priorities Pool Program funding

1.52.1 The total amount of funding available each year for the National Priorities Pool Program is $6,500,000.

1.53 Grant activities in the National Priorities Pool Program

1.53.1 Grants made under the National Priorities Pool Program must address at least one of the following priority areas for funding:
(a) research that builds the evidence base that informs equity policy and practice;
(b) trials of innovative approaches to equity policy and practice;
(c) more effective and efficient implementation of equity policy and programs; and
(d) responses to emerging priorities that will maximise equity student outcomes.

Division 3 – Regional Partnerships Project Pool Program

1.54 Program objectives

1.54.1 The objectives of the Regional Partnerships Project Pool Program are to provide grants to higher education providers to:

(a) assist providers to link with other providers, schools, vocational education and training (VET) providers and community organisations to develop and implement outreach initiatives in regional areas and remote areas;

(b) support collaboration between Table A providers to ensure a coordinated approach to identifying and engaging with appropriate stakeholders;

(c) direct resources to most effectively target regional areas and remote areas where aspirations to enter higher education are low and where matriculation to higher education is poor; and

(d) facilitate research and collaboration in the higher education sector and support an ongoing nationally coherent response to issues and barriers faced by students from regional areas and remote areas.

1.55 Total amount of Regional Partnerships Project Pool Program funding

1.55.1 The total amount of funding available each year for the Regional Partnerships Project Pool Program is $1,784,000.

Note: this amount will be adjusted each year using the method of indexation set out in Part 5-6, Division 198 of the Act.

Division 4 – Regional Loading Program (RLP)

1.56 Program objectives

1.56.1   The key objective of the RLP is to promote equality of opportunity in higher education by providing additional funding to eligible higher education providers to assist those providers to offset the disparity in costs and revenue of regional campuses in comparison with major city campuses.

1.57 Extra conditions of eligibility

1.57.1   A provider will be eligible for an RLP grant in relation to a particular campus if the average student load for the campus is a minimum of 50 internal and multi-modal Commonwealth supported student EFTSL.

1.57.5   For the purposes of this Division, the average student load at Batchelor Institute of Indigenous Tertiary Education will be considered as Commonwealth supported student load at Charles Darwin University.

1.58 Total amount of RLP grants

1.58.1   RLP grants are made in respect of a calendar year.

1.58.5   The total amount of funding available to all eligible providers under the RLP in each year is fixed.

1.58.10 In the 2020 calendar year, the total amount of RLP funding was $75,089,678.

1.58.15 The total amount of RLP funding available in later years is the total amount of RLP funding in 2020 indexed in accordance with the method set out in Part 5-6 of the Act.

1.58.20 For individual eligible providers, the RLP grant amount will be calculated in accordance with the formula set out in section 1.59 below.

1.59 Calculation of grant amounts

Average student load

1.59.1 A grant under the RLP for each eligible provider will be calculated using the most recent Commonwealth supported student load data for the reporting years as verified by the provider through the HESDC and accepted by the Department.

1.59.5 The average student load for the purposes of this Division is the EFTSL of the Commonwealth supported student load averaged over the most recent three years for which HESDC full year student load data is available.

1.59.10 The calculation of average student load will be updated annually as new HESDC full year student load data becomes available.

RLP Remoteness Categories

1.59.15 A grant under the RLP for a multi campus provider is calculated per campus and depends upon the remoteness classification of each of the provider's eligible campuses.

1.59.20 The remoteness classification for a campus is determined using the Remoteness Structure to classify the remoteness of the physical location of the eligible campus.

1.59.25 The loading (L) for the remoteness categories is as follows:

Remoteness category	Loading (L)
Remote and very remote	20%
Darwin region	15%
Outer regional	10%
Inner regional	5%
Major city and overseas	0%

1.59.30 For purposes of this Division, the Darwin region is defined as the area of the Northern Territory that is not remote or very remote.

1.59.35 For purposes of this Division, the Darwin region has been classified outside of the ABS Remoteness Structure as the additional costs of higher education provision in this region exceed its remoteness category which is outer regional.

New regional loading distribution formula

1.59.40 Grants for eligible providers will be calculated using the following formula:

$$F_p = \left(\left(\sum_c L_c\, S_c \right) + 0.5 L_h E_p \right) V$$

Where:

F_p = the RLP grant for a provider (p);

L_c = the loading for the location of a provider's eligible campus(c) according to section 1.59.25;

S_c = the average student load based on the EFTSL of the internal and multi-modal Commonwealth supported student load enrolled at the relevant eligible campus (c);

L_h = the loading for the location of a provider's headquarters (h) campus according to section 1.59.25;

E_p = the average student load based on the EFTSL of a provider's (p) external Commonwealth supported student load;

V = the variation required to ensure the expenditure is within the RLP grant made for that calendar year.

Detailed explanation of the formula

1.59.45 The formula in section 1.59.40 has two components. The first is based on the EFTSL of the internal and multi-modal Commonwealth supported student load of each of a provider's eligible campuses. The second is based on the provider's external Commonwealth supported student load.

1.59.50 The RLP grant for the first component of the formula for a provider is calculated by multiplying the average student load of a provider's internal and multi-modal Commonwealth supported student load for each eligible campus by the remoteness loading (L) for the physical location of that eligible campus. The totals for each of a provider's eligible campuses are added together to calculate the grant amount for the provider for the first component of the formula.

1.59.55 The RLP grant for the second component of the formula for a provider is calculated by multiplying 50 per cent of the average student load of a provider's external Commonwealth supported student load by the remoteness loading (L) for the provider's headquarters campus. The headquarters campus is the campus that has the highest average student load based on the EFTSL of the average internal and multi-modal Commonwealth supported student load.

1.59.60 As stated in section 1.58 above, the amount of funding available for the RLP is capped for each calendar year. To ensure that the RLP funding distributed in a calendar year does not exceed the capped amount approved for that year, the following process is used to adjust the final amount of the grant to be paid to each eligible provider in a calendar year:

(a) initially the preliminary grant amount for each provider is calculated using the formula at section 1.58.40, above allowing ($V = 1$);

(b) then the preliminary grant amount for each provider is added to determine the interim grant total ($F_t = \sum F_p$);

(c) to establish the value of the variation (V) for determining the final grant amount, the grant amount available for the calendar year less any transitional support payment (A) is divided by the interim grant total ($V = \frac{A}{F_t}$);

(d) to calculate the final grant amount for each provider for the calendar year the formula in section 1.58.40 is reapplied using the value for V as determined in (c) above.

Calculation of grants for recently established campuses

1.59.65 Where the available HESDC full year student load data for a recently established campus is less than three years, the average student load will be calculated based on the Commonwealth supported student load (EFTSL) over the number of years for which the data is available.

1.59.70 A provider will be eligible for an RLP grant in relation to a new campus if the average student load for the campus, calculated using the method in section 1.59.65, is at least 50 EFTSL (for internal and multi-modal attendance).

Division 5 – Enabling Loading Program (ELP)

1.60 Program objectives

1.60.1 The key objective of the ELP is to promote equality of opportunity in higher education by providing additional funding to assist providers to enrol students in enabling courses, with a focus on students with educational disadvantage, such as those from a low SES background, regional areas and remote areas, and Indigenous people.

1.61 Calculation of grant amounts

1.61.1 Grants under the ELP will be calculated for a year in accordance with the following formula:

$$ELP \ grant = B \times C$$

Where:

B   is the lesser of:

    (a) the number of Commonwealth supported places in enabling courses of study the provider actually provides in the grant year, and

    (b) the number of places allocated in writing by the Department for the provider for the grant year for enabling courses;

C   is the amount of enabling loading per Commonwealth supported place in enabling courses of study.

1.61.5 In 2020 the amount of enabling loading per Commonwealth supported place was $3,392.

1.61.10 For 2021 and later years, the amount is the 2020 amount indexed in accordance with Part 5-6 of the Act.

9 After Part 5 of Chapter 7 – Grants for activities that assure and enhance the quality of Australia's higher education sector

Insert:

PART 6 – HIGHER EDUCATION CONTINUITY GUARANTEE (HECG)

7.160 Purpose

7.160.1 The Higher Education Continuity Guarantee (HECG) is specified as a program for the purposes of subsection 41-15(1) of the Act. This Part also specifies matters listed in subsection 41-15(2) of the Act in relation to that program.

7.160.5 The purpose of the HECG is to provide grants to higher education providers in 2021, 2022 and 2023 to assure and enhance the quality of Australia's higher education sector, in accordance with item 11(a) of the table in subsection 41-10(1) of the Act, in the aftermath of the COVID-19 pandemic.

7.165   Program objectives

7.165.1 The HECG provides financial assistance to eligible higher education providers affected by the COVID-19 pandemic for activities to assist these providers to recover from the COVID-19 pandemic, and for specific activities identified in the conditions of grant made under section 7.180.1 of these Guidelines.

7.165.5 The objective of this program is to ensure that higher education providers are able to keep operating and employing staff in the aftermath of the COVID-19 pandemic, and to assure the ability of these providers to continue to provide quality education services into the future.

7.170   Calculation of grant amounts

7.170.1 The HECG for a Table A provider for the grant years 2021, 2022 and 2023 will be calculated as follows:

$$HECG = (Max - CGS\ Payments\ for\ relevant\ grant\ year)$$

Where:

Max = For the relevant year,

The provider's Maximum Basic Grant Amount for higher education courses

$+$

The provider's Maximum Basic Grant Amount for designated higher education courses

$+$

Amounts worked out under paragraph 33-1(1)(b)(ii) of the Act

$-$

Any funding allocated to the provider to support the delivery of 'short courses' and 'national priority places', as set out in the provider's funding agreement;

CGS Payments for relevant grant year = the amount a provider is entitled to be paid for higher education courses and designated higher education courses, plus the amount a provider is entitled to be paid under paragraph 33-1(1)(b)(ii) of the Act, minus any funding allocated to the provider to support the delivery of 'short courses' and 'national priority places', as set out in the provider's funding agreement.

7.170.5 The HECG for a non-Table A provider for the grant years 2021, 2022 and 2023 will be calculated as follows:

$$HECG = (Max - CGS\ Payments\ for\ relevant\ grant\ year)$$

Where:

Max = For the relevant year,

The provider's Maximum Basic Grant Amount

+

Amounts worked out under paragraph 33-1(1)(b)(ii) of the Act

−

Any funding allocated to the provider to support the delivery of 'short courses' and 'national priority places', as set out in the provider's funding agreement;

CGS Payments for relevant grant year = the amount a provider is entitled to be paid under subsection 33-5(7) and of Act, plus the amount a provider is entitled to be paid under paragraph 33-1(1)(b)(ii) of the Act; minus any funding allocated to the provider to support the delivery of 'short courses' and 'national priority places', as set out in the provider's funding agreement.

7.175 Extra conditions of eligibility

7.175.1 A higher education provider that has entered into a funding agreement under section 30-25 of Part 2-2 of the Act for the period 2021 to 2023 is eligible for a grant under the HECG.

7.180 Conditions of grant

7.180.1 In addition to any conditions imposed by these Guidelines, the recipient of a grant under the HECG must also comply with any terms of the grant approval imposed by the Minister.

10 Chapter 8 – Grants to assist with Transitional Costs of Changes to Maximum Student Contribution amounts

Repeal the Chapter, substitute:

CHAPTER 8 – GRANTS TO ENCOURAGE HIGHER EDUCATION PROVIDERS TO ENGAGE WITH INDUSTRY

PART 1 – NATIONAL PRIORITIES AND INDUSTRY LINKAGE FUND (NPILF)

8.1 Purpose

8.1.1 The National Priorities and Industry Linkage Fund (NPILF) is specified as a program for the purposes of subsection 41-15(1) of the Act. This Part also specifies matters listed in subsection 41-15(2) of the Act in relation to that program.

8.1.5 The purpose of the NPILF is to provide grants to eligible higher education providers to encourage those providers to engage with industry to produce job-ready graduates, in accordance with item 13 of the table in subsection 41-10(1) of the Act.

8.5 Program objectives

8.5.1 The key objectives of the NPILF are to:

(a) increase the number of internships, practicums and other innovative approaches to work integrated learning across all disciplines;

(b) increase the number of STEM-skilled graduates and improve their employment outcomes; and

(c) reward universities for the development of partnerships and collaborations with industry.

8.10 Extra conditions of eligibility

8.10.1 Table A providers are eligible to receive a grant under the NPILF.

8.15 Total NPILF funding

8.15.1 The total amount of funding available for grants under the NPILF for the grant years 2021, 2022, 2023 and 2024 is $900 million, with $222 million available in 2021.

8.15.5 The total amount of funding available for each of the 2022, 2023 and 2024 grant years will be $222 million adjusted each year from 1 January 2022, using the method of indexation set out in Part 5-6, Division 198 of the Act.

8.20 Calculation of grant amounts

8.20.1 Eligible providers will receive the relevant grant amount specified in the table below, based on the number of Commonwealth supported places (CSPs) the provider has provided for a grant year (as calculated using the latest year of verified data) in the relevant enrolment band:

Enrolment band	Amount of grant for the year
Less than 9,999 CSPs	$3.25 million
Between 10,000 – 14,999 CSPs	$4.75 million
Between 15,000 – 21,999 CSPs	$7.0 million
Greater than 22,000 CSPs	$8.75 million

8.20.5 The amounts in the table at section 8.20.1 will be adjusted each year using the method of indexation set out in Part 5-6, Division 198 of the Act.

8.25 Conditions of grant

8.25.1 NPILF grants must be used by providers to achieve the objective listed in section 8.5.1.

8.25.5 In addition to any conditions imposed by these Guidelines, the recipient of a grant under the NPILF must also comply with any terms of the grant approval imposed by the Minister.