

An efficient equity framework?

Sharon Bird the Minister for Higher Education and Skills has [announced](#) a new look at equity policy and revised arrangements for allocating the funding from the Higher Education Participation and Partnerships Program (HEPPP).

So what do these announcements mean in the age of efficiency, given the speech does not mention the Government efficiency dividend and the transformation of equity scholarships into equity debt? Will the Government now remove program acquittals and reduce project reporting to let universities exploit the Bradley policy settings as originally proposed?

A new equity direction?

There is to be ***“a policy statement that clarifies the Government’s objectives and sets priorities for action in higher education equity.”***

The rationale is that the current equity framework is 20 years old such that the various elements do not work together well. This drastically underplays the Bradley review which was an equity policy proposal that made equity mainstream not a side project. It has only been in place fully since 2012, following three years of ramping up from 2009. We do not yet know the long term impact of the change in approach. It seems early to reverse course.

The Bradley review argued that the previous Equity program was too small, over regulated and too caught up in worthy but small projects which overall were not driving significant change in equity outcomes. Instead Bradley combined demand driven funding with a major funding element, equal to 4% of base funding, that together would be an incentive for universities to improve low-SES outcomes. The argument was that if universities receive funding for each low-SES student, they will have the incentive to increase numbers and the flexibility to allocate resources as needed to increase recruitment and ensure retention through to graduation. Action would be university wide, not limited to the efforts of equity units. Universities that work for all their students would be the result. It is a comprehensive approach that is not in need of an elaborate rhetorical superstructure.

The next objective is ***“a framework that sets out evidence-based interventions that support the participation agenda and provide guidance to universities on effective strategies”***, a proposal that directly challenges the Bradley doctrine of providing the incentive for action and allowing those closest to the ground to decide what is to be done. The logic of a national framework is that all institutions would use it in similar ways, ‘guidance’ can be heavy handed direction.

The third element is ***“a performance framework that helps us measure progress at the level of outcomes, systems and broader determinants of participation in higher education”*** based on the [Aboriginal and Torres Strait Islander Health Performance Framework](#). The framework is a very complex matrix of the array of issues affecting health outcomes, supported with a several hundred page analysis of all indicators.

Universities should be very wary of further complicated data collections. The question is whether a parallel analysis of the causes and signs of under representation in university would assist or distract.

Overall, it is hard to get excited, five months from an election, at directing energy in an elaborate national framework that appears to add little to the Bradley base. It consumes resources at a time universities are meant to refocus at efficiency.

The story of HEPPP

The Government in 2009 created HEPPP with two elements:

- 75% of funding, as a loading for each low SES student enrolled called Participation; and
- 25% for outreach to encourage participation in university, called Partnerships.

After reaching its full 3% of base funding in 2012, the participation incentive per student was slated to reduce since, with the total funds fixed and the number of low SES students growing, the funding per head was set to reduce each year.

The Base Funding Review recommended that a set rate per student be set but miscalculated this at \$1000 a head, much lower than the 2012 rate of \$1800 a head. The 2012 Budget set the participation funding at a rate of \$1400 per head, a reduction for three years but in the long run good – if universities continue to expand.

The Partnerships element has involved a base payment to each university, initially \$350,000 then \$250,000 from 2012, and two rounds of projects. The 2012 budget re-directed an extra \$50 million to Partnerships over 2013 to 2016. Ms Bird's announcements spell out how previously committed funds for Partnerships will be distributed. The original funds for Partnerships will be used in two ways:

- \$36.5 million distributed in line with low SES enrolments to universities and
- \$9.5 million used for national actions; with

The additional \$50 million from participation will support a further round of projects.

The greater amount allocated to support universities own plans is a useful step back, if the program guidelines genuinely carry through with giving universities freedom to use the funds to best effect.

Equity programs and regulation

The impact of the Government's efficiency dividend is that universities are required to look carefully at what they do to remove the less essential. One major source of frustration is the reporting that universities endure for the funds they receive. One common case is the much more detailed reporting for the smaller programs such as HEPPP than for the major Commonwealth Grant Scheme and research block grant programs. The result, as PhillipsKPA have recently showed, is that the reporting costs are proportionately high.

On creation HEPPP immediately ran into administrative traps. Unlike the regional loading and others elements of the Commonwealth Grants Scheme the low-SES loading was subjected to distinct reporting and acquittal. In effect the administration of the previous Equity Program was rolled over onto HEPPP with no regard to the Bradley intent. The focus remained on distinct 'equity' activities rather than integrating recruitment of and support for students from different backgrounds into the standard activity of all parts of the university.

In an incentive program the key issue is do universities respond in the way expected. This was to recruit more low-SES students. The detail of how they do so, or even whether they do anything different, is not relevant. A successful participation outcome will be where people from all backgrounds do enrol in similar proportions, with universities' services effectively supporting all enrolled students. It requires it to be a whole of university issue that is part of all areas' operations. If universities are forced to demonstrate how funds are used they will be less likely to integrate them with base funding and be more likely to engage in distinct easily marked projects.

The nadir was reached in late 2012 when universities were asked to repay un-acquitted funds from the loading. While it is difficult to believe any university could not have invested funds equal to the loading into support for students learning needs some universities so reported.

Some of this is driven by an over-focus on specific supports for low-SES students alone, rather than reporting the full suite of activity. The essence of the loading is that overall there are barriers that hold back low-SES enrolments. It does not mean every low-SES student needs a mark on their head signifying 'help needed' but that universities need to ensure they have support systems that target potential problems for students which all students needing such help will use. Many will be low-SES, some will be high-SES. The more the service is integrated the more successful it will be.

The useful response to the PhillipsKPA report, and consistent with the Government's efficiency drive, is for the equity program acquittals to be removed and reporting integrated.

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