

IRU Submission: The impact on service quality, efficiency and sustainability of recent Commonwealth Indigenous Advancement Strategy tendering processes by the Department of the Prime Minister and Cabinet

Overview

We appreciate the opportunity to submit to the Senate References Committee on Finance and Public Administration on the impact on service quality, efficiency and sustainability of recent Commonwealth Indigenous Advancement Strategy tendering processes by the Department of the Prime Minister and Cabinet.

The IRU submission targets the impact of the inclusion of higher education Indigenous programmes in the IAS, with the Indigenous Tutorial Assistance Scheme (ITAS) subject to the tendering process.

The Innovative Research Universities (IRU) is a network of six research intensive, progressive universities, established in the outer urban areas of Australia's capitals and in major provincial cities to stimulate economic, social and personal advancement. Our locations bring universities, with comprehensive activities across teaching and research, to areas where higher education participation and attainment is low, and where the university's research and creation of graduates can strengthen the social and economic prosperity of the region.

The members of the IRU have a long-standing commitment to becoming universities of choice for Indigenous students and staff.

- IRU members¹ educate 19% of Australia's Aboriginal and Torres Strait Islanders students.
- 2.1% of all our students are Aboriginal and Torres Strait Islanders against a national parity target of 2.3% and overall sector achievement of 1.4%.
- 1.1% of IRU completions are by Aboriginal and Torres Strait Islanders against overall sector achievement of 0.8%.
- We employ 17% of Aboriginal and Torres Strait Islanders staff working in Australian universities.

In 2012 the IRU members signed a Statement of Intent for Aboriginal and Torres Strait Islander Higher Education, consistent with our ambition to be the universities of choice for Aboriginal and Torres Strait Islander students and staff. The text of the Statement is at Attachment Two.

Structure of the submission

The IRU submission focuses on:

1. the Higher Education Indigenous programmes which are now administered by Prime Minister and Cabinet through the Indigenous Advancement Strategy, with more detail at Attachment One;
2. the impact of the IAS tender process on the distribution of the Indigenous Tutorial Assistance Scheme (ITAS);
3. the need to revamp the Higher Education Indigenous programmes, retaining a performance based formulaic allocation and removing unnecessary accountability measures that hinder improvement;

¹ Sourced from Department of Education Higher Education Statistics Collection and displayed at www.iru.edu.au

4. the steps needed now to achieve the needed revamp of the programs.

Recommendations

The IRU recommends to the Committee that it recommend that:

1. the Indigenous Higher Education programmes be treated as a set of programmes distinct from the five themes set down for the Indigenous Advancement Strategy, administered by the Department of Education;
2. none of the Indigenous Higher Education programmes be subject to a tender based distribution of funds but continue to be allocated based on sensible, known, formulas that target the enrolment and retention of Aboriginal and Torres Strait Islander students and the employment of Aboriginal and Torres Strait Islander staff;
3. any remaining funds which would have been allocated under previous arrangements for the Indigenous Tutorial Assistance Scheme in 2015 be allocated to institutions based on applying the previous formula for allocations;
4. consultations continue regarding the future for higher education Indigenous programmes, with the Aboriginal and Torres Strait Islander Higher Education Advisory Council as the leading advisor, with the aim of implementing recommendation 13 of the 2012 Review of Higher Education Access and Outcomes for Aboriginal and Torres Strait Islander People;
5. that process consider bringing all the higher education programmes under the remit of the Higher Education Support Act 2003.

1. Higher education indigenous programs administered by the Department of Prime Minister and Cabinet

Stemming from decisions taken in the 2014-15 Federal Budget, the Government integrated most Indigenous programmes into the new Indigenous Advancement Strategy (IAS) with the Department of Prime Minister and Cabinet to administer them. The higher education programmes moved from the Department of Education are:

- Indigenous Support Programme;
- Indigenous Tutorial Assistance Scheme;
- Away from base for mixed mode delivery;
- Commonwealth Scholarships Programme;
- Indigenous Staff Scholarships

Attachment One provides the funding source and previous basis for allocation of each programme.

The IAS has five themes:

- **Jobs, Land and Economy Programme** Getting Indigenous Australians into work, fostering Indigenous business and ensuring Indigenous people receive economic and social benefits from the effective management of their land and native title rights;
- **Children and Schooling Programme** Getting children to school, improving literacy and numeracy and supporting families to give children a good start in life; Increasing Year 12 attainment and pathways to further training and education;
- **Safety and Wellbeing Programme** Making communities safer so that Indigenous people enjoy similar levels of physical, emotional and social wellbeing as that enjoyed by other Australians;
- **Culture and Capability Programme** Increasing participation and acceptance of Indigenous Australians in the economic and social life of the nation; and

- **Remote Australia Strategies Programme** Addressing the disproportionate disadvantage in remote Australia and the need for strategic grant funding for local solutions.

Higher education is not mentioned in any of the stream descriptions but is considered part of the Children and Schooling strand. The lack of reference to higher education highlights that the higher education programmes do not sit well with the focus of the Government on improving schooling outcomes and health and the desire to rationalise grants within each Aboriginal or Torres Strait Islander community. It also suggests the Government does not appreciate the importance of effective higher education to successfully addressing the challenges facing our Aboriginal and Torres Strait Islander communities through educating Aboriginal and Torres Strait Islander graduates across all disciplines and professions.

The Government decision to put to tender the array of funds swept into the IAS exempted all the higher education programs but for than the Indigenous Tutorial Assistances Scheme (ITAS). The other higher education programmes have been allocated in 2015 according to the existing funding formulas, which essentially distribute funds in line with Aboriginal and Torres Strait Islander student and staff numbers and, for students, successful progression in their studies.

ITAS was an academic programme to:

- improve academic outcomes for all Aboriginal and/or Torres Strait Islander students by providing supplementary tuition,
- supplement normal teaching efforts but not substitute or replace them,
- accelerate educational outcomes for Indigenous Australians beyond those which could reasonably be expected from the provider's core resources alone.

One key problem with the operation of ITAS is that when individual students being supported do not continue with study it is difficult to reallocate the funds for that student to another. As a result universities regularly underspend the funds. It is an issue that needs to be fixed through changes to the detailed accountability rules to give universities needed flexibility.

Prime Minister and Cabinet has indicated that ITAS was put in the IAS tendering process to address the problems with effective use of the funds. The problems are clear, but inclusion in the tendering process has not been a successful way to address them.

2. Impact of Tender process on distribution of ITAS

The inclusion of ITAS in the IAS tender process came at short notice and little communication about the implications of integrating funding for higher education tuition support within a broader program targeting school level education. This meant that those involved in bidding for funds had little understanding of the rationale for the tender, what had changed and what was permitted. Universities could not make the most constructive bids possible, taking advantage of the intent to open up opportunities for different and better use of funds.

The approach of a tender undermines the previously successful allocation of support funds to follow the enrolment of Aboriginal and Torres Strait Islander students. For ITAS, and the other higher education Indigenous programmes, the challenge is not which organisation would best provide the tuition support but to ensure that the education providers have the funding needed to carry through their responsibilities to provide an effective education for all students including those who are Aboriginal and Torres Strait Islanders.

In the end Prime Minister and Cabinet completed the tender process by allocating all (to IRU's knowledge) universities some funding for Aboriginal and Torres Strait Islander student tuition support. However, at an Indigenous higher education policy forum held by The Department of Education on 15 April 2015 officials from the Department of Prime Minister and Cabinet explained

that the 2015 allocations for ITAS were based on each university's 2014 level of expenditure rather than the standard allocation of funding using the formula for ITAS.

Hence the 2015 allocation, based on 2014 expenditure, is in total less than would have been the case under previous arrangements. Further, to the extent that universities continue to operate under the previous rules they will tend to under-expend that lower amount, which if used to allocate for 2016 and beyond would see the total pool continue to shrink.

The Department has also been unclear whether universities are bound by the previous programme rules, suggesting that they are not but never confirming that. That is, the intent of addressing the rule driven problems with ITAS has not yet been effectively addressed.

3. The need to revamp the indigenous higher education programmes

The 2008 Review of Higher Education known as the Bradley report did not address the Indigenous programmes but recommended (recommendation 30) that there be regular reviews of them to ensure they were working to best effect. The then Government commissioned the Review of Higher Education Access and Outcomes for Aboriginal and Torres Strait Islander People, known as the Behrendt Review, which reported in 2012. Recommendation 13 is:

That the Australian Government reform funding for supplementary Aboriginal and Torres Strait Islander support programs, including the Indigenous Support Program and the Indigenous Tutorial Assistance Scheme – Tertiary Tuition (ITAS-TT), in time for the 2013 academic year, based on the following design principles:

- Allow universities greater flexibility to provide locally relevant, tailored support for Aboriginal and Torres Strait Islander students and staff.
- Target available funding to achieve an improvement in current enrolment levels but also with a greater emphasis on retention and completion rates.
- Ensure that funding would be simple to administer.
- Ensure that funding would support clear outcome-focused accountability for universities.

The new funding model should include consideration of tutoring support for students who were previously ineligible for ITAS-TT assistance.

The Behrendt Review argued as its central proposition the need to ensure that all areas across the university take responsibility for effective outcomes relating to their responsible service for Aboriginal and Torres Strait Islander students and staff. The intent is to reduce the pressure on Indigenous units to provide all services, allowing them to focus on the critical supports only Indigenous staff can provide and advice to all areas of the university about effectively meeting the needs of Aboriginal and Torres Strait Islander students and staff using all funding sources.

The various higher education Indigenous programmes need to be reworked to reflect this outcome. However, there had not been any action to follow through Recommendation 13 prior to the move of the programs to Prime Minister and Cabinet.

4. The steps required now to achieve the needed revamp of the programs - Recommendations

As the first step it is important that the Government make clear that the funds previously allocated through the higher education indigenous programmes will remain targeted at higher education, with all available funds allocated based on sensible, known, formulas. This includes allocating any funds that would in the past have been provided for tuition support and encouraging receiving institutions to use the additional funds for any Aboriginal and Torres Strait Islander students with support needs.

If certainty about this can be achieved it will then allow a serious discussion to follow about the best arrangements for the programmes to take effect from 2016.

Consultations with the sector should continue regarding the future for higher education indigenous programmes, with the Aboriginal and Torres Strait Islander Higher Education Advisory Council as the leading advisor.

Outcomes stemming from these discussions require an emphasis be placed on funding for performance, using enrolments and completions, with consideration of adjustments or weighting for the different student groups, as the basis for future higher education Indigenous funding streams. Performance based, formula allocations should drive the programs with no resort to the wasteful tendering process. As part of this, all programmes should be funded through the *Higher Education Support Act 2003*.

As part of this process the sense for Prime Minister and Cabinet to continue to administer the programmes should be reconsidered with the programmes return to the Department of Education the better outcome.

30 April 2015

Attachment One: Higher education programmes incorporated into the IAS

Programme	Aim	Legislation	Funding
Away from base for mixed mode delivery	Supporting university and VET students who study at home but are required to also spend periods of time at institutions	Section 13 of the <i>Indigenous Education (Targeted Assistance) Act 2000</i>	Based on eligibility
Commonwealth Scholarships Programme	Supporting University students	Part 2.4 of the <i>Higher Education Support Act 2003</i>	Universities bid for the number of scholarships – there was a cap on number of scholarships awarded based on the previous years' completions – this programme was generally undersubscribed.
Indigenous Staff Scholarships	Supporting the upskilling of Indigenous staff in universities	Part 2.4 of the <i>Higher Education Support Act 2003</i> .	Universities bid for the number of scholarships – there is a cap on number of scholarships awarded based on the previous years' completions – this programme was generally undersubscribed in terms of achievement.
Indigenous Support Programme	Supporting engagement of Indigenous students in university	Part 2.3 of the <i>Higher Education Support Act 2003</i>	Funding allocation formula: 50% enrolment, 35% retention of students and 15% on course completion.
Indigenous Tutorial Assistance Scheme	Improve academic outcomes for all Aboriginal and / or	Indigenous Education (Targeted	ITAS funding was distributed based on half of the eligible

(ITAS)	<p>Torres Strait Islander students by providing supplementary tuition</p> <p>Supplement normal teaching efforts and cannot be used to substitute or replace them</p> <p>Accelerate educational outcomes for indigenous Australians beyond those which could be reasonably expected from the providers core resources alone</p>	Assistance) Act 2000	<p>Indigenous student enrolments requiring supplementary tuition with:</p> <p>70% receiving one-on-one tuition; and</p> <p>30% receiving tuition in groups of 4 students</p> <p>$(\text{Half EFTSL} \times 0.7 \times 34 \text{ weeks} \times 3 \text{ hours} \times \text{one-on-one tuition rate}) + ((\text{Half EFTSL} \times 0.3 \times 34 \text{ weeks} \times 3 \text{ hours} \times \text{group tuition rate}) / 4)^2$</p>
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² Senate Finance and Public Administration Committee, Answers to Questions on notice reference #27, 5 December 2014

Attachment Two

Innovative Research Universities (IRU) Statement of Intent: Aboriginal and Torres Strait Islander Higher Education

The universities of the IRU acknowledge that we teach, learn and research on the traditional lands and waters of Indigenous peoples. We pay our respects to the traditional owners and custodians of the lands upon which our campuses are located and celebrate the significant contribution Aboriginal and Torres Strait Islander people make to our institutions.

We recognise the legitimacy of Indigenous Knowledge.

This statement signifies our commitment to building a diverse nation in which all of its citizens take pride in engaging with the world's oldest living cultures.

IRU members are committed to becoming *universities of choice for Aboriginal and Torres Strait Islander students and staff*. To do this, we must now focus our efforts beyond the important and institutionally transformative work we perform with students and in workforce recruitment.

Accordingly, IRU Member universities will:

- honour and pay respect to the unique scholarship of Elders, traditional Aboriginal and Torres Strait Islander holders of knowledge and knowledge systems and ensure that they are intrinsically involved in the development of university programs, research and policies;
- advance a whole-of-university strategy recognising the significance of Indigenous Departments as places of expertise which
 - contribute to the successful academic lifecycle of Aboriginal and Torres Strait Islander students; and
 - build and ensure appreciation and understanding of Aboriginal and Torres Strait Islander perspectives throughout the entire university community;
- develop staff and students' cultural integrity and core competencies and understanding through ongoing, positive engagement between Aboriginal and Torres Strait Islander and non-Aboriginal and Torres Strait Islander members of the university and wider community;
- appoint senior Aboriginal and Torres Strait Islander people to positions that have influence on strategy, policy and advocacy across all core business of the University;
- focus efforts on Aboriginal and Torres Strait Islander student and staff retention and success;
- increase the number of Aboriginal and Torres Strait Islander peoples moving into and completing postgraduate study and research;
- create a study environment that encourages Aboriginal and Torres Strait Islander post graduate students to engage in collaborative research with local communities that can provide evidence of impact, progression and change in their state of well-being and

development;

- provide high quality, culturally safe and affirming landscape, office, study and support spaces for Indigenous staff, students and community to foster Indigenous intellectual leadership capacity and capability;
- increase Aboriginal and Torres Strait Islander participation in co-curricular activities and campus communities, including participation in student mobility, work experience and placements, social and sporting activities and student representative bodies responsible for student policy formation and implementation;
- promote learning, teaching and research that incorporates and is directed towards the privileging of Aboriginal and Torres Strait Islander knowledge systems, knowledges, perspectives and issues; and
- encourage robust community engagement strategies that develop appreciation of the particular bodies of knowledge and needs of Aboriginal and Torres Strait Islander communities, both those local to the university and those throughout Australia.

www.iru.edu.au

Charles Darwin University / Flinders University / Griffith University / James Cook University / La Trobe University / Murdoch University / The University of Newcastle