

Possible key elements of the Higher Education Participation and Partnerships Program: IRU response

Overview

The IRU supports the Government's proposed changes to the Higher Education Participation and Partnerships Program (HEPPP).

The changes, if implemented, will give long term certainty through a standard payment per low SES student and remove reporting that hampers creativity in best use of the funds in favour of targeted reporting of major outcomes.

The Government's proposals respond to the IRU argument [Improving equity in higher education participation](#) that the Government should honour the Bradley review intent to provide a loading per low SES student as an incentive to redress the imbalance in who attends university, creating the incentive for universities to improve the balance of students without unnecessary input controls.

IRU and increased Low SES enrolments

So far, through the combination of demand driven funding and the additional support through HEPPP IRU members have led a significant increase in low SES enrolments. See [Impact of more students at university – Part 2](#).

Since 2012, the proportion of low SES students has been higher than any point earlier in the century, reaching 17.7% in 2015. Of the extra 149,024 undergraduate students between 2010 and 2015, 33,832 (23%) are low SES, almost at the point the parity. If current growth continues low SES enrolment could reach 20% by 2020 – still short of the benchmark of 25% but a notable change.

IRU members have been crucial to the growth in low SES student numbers. Consistent with our commitment to inclusive education, IRU members focus on encouraging students from all backgrounds with well-designed programs to attract and support them.

Between 2010 and 2015 IRU members enrolled an additional 15,412 Australian undergraduate students 5,759 (37%) of whom are low SES. This has raised the proportion of low SES students in IRU members from 18% to 21%. Members of the Regional University Network and other universities located outside the inner cities have also had strong growth in the number and proportion of low SES students.

The suggested key elements of the HEPPP guidelines

The IRU supports the thrust of the proposed Guidelines. They provide a clear, simple statement of the allocation of funding for HEPPP and the requirements to ensure effective accountability. They are consistent with the Government's intention to make the amount of funding more certain year to year and to focus reporting at a few useful elements removing many previous requirements.

Universities will no longer acquit HEPPP funds nor be expected to spend all of the grant in the grant year, removing cumbersome requirements that are not applied to the major Government grants.

The accountability framework proposed in the Possible Key Elements is that universities must:

- have a three year Access and Participation Plan;
- include in the plan the level of outreach that the university will engage in; and
- report against a HEPPP evaluation framework.

Overall, the approach responds to the IRU argument for HEPPP to be used to best effect by each university with the enrolment level of low SES students the dominant marker of success.

There are three areas in which further development is needed:

1. for the Guidelines to recognise more clearly that low SES is the lead indicator about ensuring equal access for people from all backgrounds;
2. being clearer that universities should continue with outreach activities intended to raise understanding among potential students of the value from higher education; and
3. to ensure the proposed allocation method for the performance funding element works to provide additional incentive for universities to improve the outcomes for students.

The program focus

The Bradley intent was to use low SES as the marker driving improvement across most under represented backgrounds, including the second lower SES quartile. The formal focus for the program is low SES, which the Program Evaluation focussed on, to its detriment.

The Government response takes account of the broader goal, which is good. Questions remain about different measures to address regional and remote access more directly. The number of students from these backgrounds have not kept pace with the expansion overall, although IRU members do better than many universities.

The data from the Longitudinal Study of Australian Youth shows the uptake of post school education across the different SES quintiles. Quintile 1 is the poorest; quintile 5 the richest.

Using the 2006 Cohort who mostly completed school in 2008 and were able to commence university from 2009, we can see the level of completion of either higher education or VET qualification by 2015. The Table uses highest qualification so if someone holds both they are put in the HE group. It shows the considerable variation in likelihood of completing a HE qualification, rising strongly upwards with SES standing; and the contrasting drop in VET completions.

Table: Completion of Higher Education and Vocation Education by Socio-Economic background (LSAY Cohort 2006 Wave 10, 2015)

LSAY Cohort 2006 Wave 10 (2015) Highest completed qualification		Q1 - poorest	Q2	Q3 - median	Q4	Q5- richest	All
No	Post						
School		32.9%	27.1%	22.6%	16.2%	20.0%	23.6%
VET		44.2%	43.8%	39.4%	31.7%	16.2%	34.8%
HE		22.9%	29.1%	38.0%	52.0%	63.8%	41.6%
ALL		20.2%	18.1%	19.5%	22.2%	20.0%	100%

The 2009 LSAY cohort show a similar distribution in the data so far, with that cohort available to have commence university from 2012.

The LSAY data remind that the low SES quartile is a marker, with the second quartile also an issue. Universities cannot only focus on students from the lowest SES areas but must look to ensure they are able to support any and all students who come to them.

The guidelines should be explicit that HEPPP's broad aim is to improve participation from all underrepresented groups, with low SES the lead indicator.

The need to address enrolment and retention of students from remote and regional areas remains a distinct problem requiring different action.

University support for outreach

Discussion at the 24 May 2017 Department briefing on the plans for HEPPP and since, have highlighted as a possible concern the lack of specific allocation for outreach activities beyond the requirement that each university specify such a level.

IRU members regard outreach as an important element of activity for its general value and the recognition that if successful it will flow through to stronger levels of enrolment. There are variations across states in the level of enrolment in higher education, overall and by specific groups. It is not clear there needs to be a common level of activity beyond the requirement that all engage in it.

The Department should engage with universities about their plans to test that the level of engagement proposed is well based.

The IRU supports the requirement that each university include a level of outreach in its activities but does not agree that there be a common minimum level.

The performance allocation formula

At \$13.5 million the funds available for the performance element are about \$330,000 per university, or around \$90 for each low SES student and Aboriginal and Torres Strait Islander student.

The proposal is:

- the performance funding pool is split into two elements, one for Low SES achievement (about 80%) and one for Aboriginal and Torres Strait Islander achievement (about 20%).
 - The split between the two is driven by the relative number of low SES students to Aboriginal and Torres Strait Islander students weighted at 2.
- achievement is to be measured against student success, that is the pass rate of units.
- the measure is improvement in the success rate expressed as percentage points – if it rise from 73% to 74% that is an improvement of 1.
- The improvements across all universities are added together (A). Not stated, but implied that any negative results are ignored.
- Those universities which had an improvement, share in the pool in proportion to their percentage of the total (A).
 - There is no adjustment for whether a university has 100 low SES or Aboriginal and Torres Strait Islander students or 1000.
 - Hence University A (100 students) with percentage point improvement of 1 gets the same as University B (1000 students) with percentage point improvement of 1.

The implications of the proposal require teasing out. This would be most effective through discussion with a broad range of interested parties that could canvas the various options and the potential consequences of them. This would give the Government a firmer basis to confirm a final allocation mechanism.

Issues that need to be worked through include:

- the implications of a focus on success (passing of units) for overall maintenance of good assessment. With the target group only a subset of students whose status should be unknown to examiners there may be limited undesirable incentives created;
- whether there should be an excellence point beyond which no further improvement is required to receive the performance funding. This could be set at or near to parity with success

rates for all students or all non-low SES or Aboriginal and Torres Strait Islander students respectively;

- whether those universities closer to a parity point have a harder task to improve further. Is the Government aim just to give an incentive to those with current lower outcomes or to also recognise previous achievement; and
- whether the allocation should be weighted for low SES or Aboriginal and Torres Strait Islander enrolments. As proposed the incentive to improve success rates is much higher for universities with fewer such students. It is not clear why the incentive should not be at least equal if not higher for universities with high levels of relevant students.

The IRU proposes that the Department hold a sector wide Forum to explore the allocation mechanism for the performance related element to allow all issues to be considered leading to a viable final proposal.

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