

9 August 2024

The Hon Jason Clare MP
Minister for Education
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Minister

Federation University's Support for the Needs-based Funding Model

I am writing to express Federation University Australia's (**Federation**) strong support for the proposed Needs-Based Funding Model (**NBFM**).

Federation believes this model is crucial for advancing equitable access to higher education and ensuring the sustainability of regional universities like ours, which play a vital role in educating large cohorts of equity students across Victoria. Federation's submission below outlines some key considerations to support the implementation of the NBFM's design and delivery in a regional context.

As Victoria's preeminent regional university, Federation's cost base is primarily composed of fixed and ongoing costs directly associated with meeting the needs of equity students, in particular given the majority of Federation's students are Victoria's regions or outer metropolitan communities, and *then* from low socio-economic status, First Nations, or disability backgrounds.

Federation's commitment to these students is reflected in the comprehensive support services we provide, which are essential for their success in accessible local post-secondary education linked to local employment in sustainable careers.

Federation's Co-Operative Education Model, for example, is driven by the mission to support our largely equity cohort of students to achieve this – it integrates practical work experience into all our programs at a systemic and large scale across regional employers to align the educational outcomes for our 20,000 large student cohort with local employment needs to help boost the economic growth and well-being of the regions we operate in.

Outreach to secondary schools and partnerships with local institutions are equally vital to supporting attainment among needs-based cohorts. For instance, building deeper partnerships with schools such as Ballarat High School, Berwick Secondary College, Traralgon College, and Horsham College will enable us to work closely with students from equity backgrounds, providing tailored mentoring, career guidance, preparatory courses and co-recruitment models with industry to boost attainment. These initiatives are crucial in building academic readiness and ensuring that students from equity backgrounds have a clear pathway from secondary education to university.

The NBFM's focus on providing stable, long-term funding is critical for institutions like Federation, where nearly all education costs are devoted to supporting equity-based cohorts.

In particular, the funding must also encompass critical investments in technology and infrastructure to ensure that our campuses are equipped to meet the diverse needs of our students. Modernising infrastructure, improving accessibility, and adopting new technologies are essential to enhance learning outcomes and ensure that all students, regardless of their background, have access to high-quality education.

Professor Duncan Bentley
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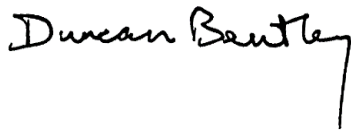
The proposed Regional Needs-Based Loading Funding (**RNBLF**) and Targeted Needs-Based Funding (**TNBF**) components will ensure that Federation can continue to deliver the vital programs and services that our students rely on, particularly in the Central Highlands, Greater South-East Metropolitan, Gippsland, and Wimmera Southern Mallee regions. These components should provide the stable, long-term financial support necessary to sustain and expand the critical infrastructure and technological advancements required to support our student body.

The strategic alignment of the NBFM with the Managed Growth Funding System (**MGFS**) is also vital. By coordinating these models, we can better serve the national priorities while ensuring that regional students have access to quality education that is closely aligned with local industry needs.

Federation University is committed to working closely with your department to ensure the successful implementation of the NBFM. We welcome the opportunity to partner further on the design and engagement process for this model, particularly in the context of our other submissions on the Australian Tertiary Education Commission (**A TEC**), international student levels, and the MGFS.

Thank you for your leadership and continued support for higher education reform. We look forward to collaborating with you to advance the sustainability and effectiveness of regional universities in Australia.

Yours sincerely,



Professor Duncan Bentley
Vice-Chancellor and President

Federation University Australia

Submission in relation to the Needs-based Funding Model (NBFM) Implementation Paper

Overview

Federation University Australia (**Federation**) is strongly supportive of the proposed Needs-Based Funding Model (**NBFM**) as a critical framework for advancing equitable access and ensuring the sustainability of regional universities. Given Federation's unique role in educating large cohorts of equity students across regional Victoria, it is imperative that this model be designed to address the specific challenges faced by regional institutions like ours. Federation's positions and considerations in response to the detailed questions in the NBFM Implementation Paper reflect this experience.

Federation's views are strongly aligned with the findings of the **Universities Accord Final Report (the Accord)**, which recognises that regional universities face significant financial challenges while primarily serving equity-based cohorts. The Accord highlights the need for a funding model that adequately supports the unique mission of regional institutions like Federation, where the cost base is almost entirely devoted to supporting equity students, and needs based funding is critical to achieving the attainment targets in the regions Federation operates.

Federation's student body is primarily composed of individuals from equity backgrounds, especially regional and rural backgrounds, and then within this low SES, First Nations, and disability backgrounds

Many of these students are the first in their families to attend university, which makes it essential for us to provide extensive direct and indirect support services tailored to their unique needs. In line with Federation's position on the **Managed Growth Funding System (MGFS)**, we believe that outcomes for equity students must be closely aligned with national priorities and local employment needs.

Federation's Co-Operative Education Model exemplifies this approach, integrating practical work experience into our programs to ensure that students are job-ready and can contribute effectively to their communities. This model not only enhances the employability of our graduates but also strengthens ties between the university and local industries, fostering a skilled workforce that supports regional economic growth.

Given that nearly all of our operational costs are dedicated to serving these equity-based cohorts, it is crucial that the funding model reflects this reality. The **Regional Needs-Based Loading Funding (RNBLF)** and **Targeted Needs-Based Funding (TNBF)** components (detailed below) must provide the stable, long-term financial support necessary to sustain and expand the vital programs and services that our students rely on.

Ensuring Funding Certainty through a Needs Based Funding System with a block and targeted student component

To provide the necessary financial stability, Federation advocates for the introduction of a RNBLF. This block funding should offer a stable financial base, independent of year-to-year enrolment fluctuations, by incorporating and expanding existing funding streams such as Regional Loading and the Higher Education Participation and Partnerships Program (**HEPPP**). The RNBLF should include two key components:

- **Needs-Based Cost Component:** This should be based on the historical headcount of students from equity backgrounds, ensuring that funding reflects the actual number of students requiring support.
- **Attainment-Based Cost Component:** Aligned with the aspirations set by the **MGFS** equity CSP place allocations, this component should wholly integrate **Higher Education Participation and Partnership Program (HEPPP)** aspiration-building and outreach elements, which are essential for fostering a culture of post-secondary education in regional communities.

Federation also supports the implementation of a **Targeted Needs-Based Funding (TNBF)** component, which should be responsive to the dynamic needs of equity students. This funding would allow institutions to tailor support services as student circumstances evolve, ensuring that universities can provide the necessary resources to those who need it most. The TNBF is particularly important in addressing the compounded disadvantages faced by students in multiple equity categories.

Driving Regional University Sustainability and Growth

The combined implementation of the RNBLF and TNBF, alongside the MGFS, is essential for driving the sustainability and growth of regional universities like Federation. By supporting regional students **through Commonwealth Supported Places (CSPs)**, this funding framework will enable us to lift attainment targets and meet national priorities effectively.

Federation serves communities across the Central Highlands, Greater South-East Metropolitan, Gippsland, and Wimmera Southern Mallee regions. These areas face unique challenges, including lower educational attainment levels, higher rates of socioeconomic disadvantage, and a greater need for targeted support services. The RNBLF and TNBF will allow Federation to continue delivering critical programs that directly address these challenges, helping to create job-ready graduates who contribute to their local economies and align with national priorities.

Supporting Infrastructure, Technology, and Outreach

In addition to funding direct teaching and support services, the RNBLF must also provide for capital improvements, infrastructure modernisation, and the adoption of new technologies to enhance accessibility and learning outcomes. Furthermore, the aspiration-building component of the HEPPP should be preserved and strengthened within the RNBLF.

A key element of this strategy is the critical outreach to secondary schools in the regions Federation serves. Partnerships with local schools are essential to support the attainment of students from needs-based cohorts. By working closely with secondary schools, Federation can identify and engage potential students early, helping them to overcome barriers to higher education and fostering a culture of aspiration and achievement.

These partnerships enable targeted programs that address specific challenges faced by students from equity backgrounds, such as tailored mentoring, career guidance, and preparatory courses designed to build academic readiness. By investing in these outreach initiatives, Federation not only increases access to higher education for underrepresented students but also strengthens the pathways that lead from secondary education to university, ensuring a smoother transition for these students.

Outreach and community engagement programs are vital in regional areas, where barriers to higher education are significant. Funding based on historical headcounts and flexible support for these outreach efforts will ensure that regional universities can continue to inspire and support potential students from equity backgrounds, ultimately contributing to the long-term sustainability and success of the communities they serve.

Integration with Federation's other Submissions

This submission should be read in conjunction with Federation's previous submissions on the **Australian Tertiary Education Commission (ATEC)**, **international students**, and the **Managed Growth Funding System**. Together, these submissions provide a comprehensive view of Federation's position on the broader strategic needs of the Australian higher education sector, particularly concerning the sustainability and growth of regional universities.

Specific Responses to Consultation Questions:

1. What could the Government consider when setting eligibility for Needs-based Funding within the identified cohorts?

Federation Positions:

- Establish the proposed broad criteria for identifying students in equity cohorts proposed in the NBFM Implementation Paper – students with needs due to their: Low SES, First Nations, Disability, Regions.
- Redesign regional loading into this NBFM as a RNBLF alongside a tracked funding component based around dynamic student need (the TNBF) (see below).
- The RNBLB should be paid as a block grant to regional universities regardless of final enrolment numbers but be adjusted each year based on advice of the ATEC.
- Link all NBFM funding components to a university's student headcount baseline – the RNBLF should have a:
 - **Needs-Based Cost Component** – determined based on the historical headcount of students who meet the eligibility criteria as a projected baseline
 - **Attainment Based Cost Component** – determined based on the desired headcount of students who would meet the eligibility criteria against the proposed Managed Growth Funding System equity allocations. This could accommodate the regional elements of the HEPPP to fully integrate into the NBFM and coordinate with the MGFS.
- The RNBLF must recognise, in funding regional universities' work to meet the needs of equity students, that nearly all services and operations delivered by a regional university are targeted at supporting a student body that

is comprised of almost all equity students and that these services are globally underfunded as the Universities Accord Final Report (the Accord) recognised.

- The ATEC should calculate the projected components to historical averages of eligible equity student real student headcount alongside MGFS equity CSP allocations.
- The ATEC should determine the cost formulation for each university based on a combination of the historical costs and an optimal cost analysis to address similar needs to cover:
 - the ‘fixed costs’ of supporting students who meet the eligibility criteria the university bears on a real demand driven basis over time, including:
 - “in-class” teaching services and direct and indirect support services for eligible cohorts noting in many cases,
 - capital maintenance improvement costs to ensure infrastructure can meet contemporary support and pedagogy needs for these students (e.g., disability access improvements to old infrastructure), and
 - improved technology to support accessibility for these eligibility cohorts, including improved remote learning experiences.
 - the program cost of attracting students who meet the criteria into post-secondary education, in particular along defined program categories such as targeted outreach, school pathways, career transition, and community awareness and engagement (for specific cohorts).
- The ATEC should drive sector development to identify high-impact programs and cost delivery models for each cohort in partnership with the Australian Centre for Student Equity and Success (ACSES).

Key Considerations:

- **Funding stability is critical to support long-term investments in programs, services, technology and infrastructure for needs-based students.** If there is no stability – e.g., it is entirely variable on enrolment levels year on year with flexing of cost base or services on a per student basis – there will be insufficient certainty to improve or grow service delivery models, reset the right infrastructure or progress attainment orientated programs. These programs require multi-year certainty to succeed.
- **Ensuring the NBFM reflects the dynamic equity status of regional students and how it affects funding eligibility is vital** for the funding model sustainability but is complex to administer for regional universities where large components of students will meet the equity criteria and potentially move between those criteria.
- **EFTSL-based funding system for underrepresented students is not effective in a regional context** where a high-number of students are part-time and the service is not properly scaled under a pure EFTSL model – e.g., the same ‘fixed cost’ and ‘program cost’ is present for each student meeting the eligibility criteria regardless of whether that student is part-time or full-time

Additional Reasons and Considerations:

Federation supports the current criteria for identifying students within the four key equity cohorts to trigger Needs-based Funding. Federation has a unique role with the majority of its students from equity groups, with 21.7% of students from low SES or disadvantaged backgrounds, 36.5% first in family, and 50.3% from regional or remote locations. Many of Federation’s students belong to more than one equity group while also managing factors that are not immediately recognised in the criteria such as caring and paid work responsibilities.

As a result, these key considerations are critical to avoid any inadvertent risk to service delivery under the NBFM if it were to interact with Regional Loading or the HEPP:

- **regional universities have significant challenges and opportunities because of their role in working primarily with equity cohorts:** Regional universities like Federation must attract and enrol a higher proportion of part-time students from underrepresented backgrounds, who often require more support services, and whose needs may change over longer periods of study.

- **part-time students usually have contexts of greater socioeconomic disadvantage and require more support:** regional students often study part-time due to higher rates of socioeconomic disadvantage, necessitating more support, than an EFTSL number would imply, and challenging the assumption that part-time students use fewer resources.
- **definition clarity should relate to education:** The definition of disability, for example, must be appropriately settled, to apply to an education context – e.g., it should not hang on receiving payment status under the NDIA.
- **Dynamic Equity Status:** The system should account for students transitioning in and out of equity categories during their studies, such as developing a disability or changing their location to/from regional or low-SES areas, or identifying as First Nations.

Needs-based Funding contribution amounts

2. How could contribution amounts consider the concept of cumulative disadvantage, where a student belongs to more than one identified equity group?

Federation's Position:

- Recognising students in equity cohorts, including multiple equity cohorts, through TNBF. For example, a range of SES background post-code within a local catchment area can be allocated points that are then applied to students from each post-code.
- The TNBF for a university should similarly be based on an ATEC analysis of actual costs for that university and optimal costs projections relating to teaching services for students who meet the equity-based criteria. This could include additional support staff for services above the base and specific in-class supports or wrap around services to ensure the success of students from these cohorts.
- The ATEC should establish a robust mechanism for continuous monitoring and adjustment to the TNBF based on equity student demand in conjunction with annual reviews to determine the RNBLB.

Key Considerations:

- A TNBF will permit funding flexibility to meet specific needs of students and accommodate holistic recognition of cumulative disadvantage that supports a comprehensive suite of support programs, appropriate weightings and responsiveness to evolving needs.
- Federation notes the compounded impacts of multiple disadvantage factors on students is a limiting factor to success in a regional context. Targeted and enhanced support is needed for students facing multiple disadvantages to promote their academic success and well-being.

Potential scaling and proxy for academic preparedness

3. What are the effects of academic preparedness on student outcomes in higher education? How could these be reflected in the approach to scaling of per-student Needs-based Funding?
4. Would ATAR be an appropriate proxy for academic preparedness? How could academic preparedness best be measured where a new student does not have an ATAR?
5. How would a system of scaling for academic preparedness interact with Needs-based Funding contributions which are used for direct student supports?

Federation's Position:

- Federation does not support scaled per-student NBFM allocations using the ATAR as a primary indicator.
- While Federation supports a TNBF to secure support for a student the critical component of securing a regional university's ability to provide services to the high numbers of equity based students is the flat rate loading component under the RNBLF.

Key Considerations:

- ATAR's are not the primary indicator of academic preparedness in the regions – or the needs-based cohorts they primarily service – given a significant proportion or majority of students are mature-age students.
- There are other deleterious consequences from adopting this approach including a presumption that equity students with high ATARs do not require funded support or the perception that the higher education system is not supportive of lifelong learning principles touched on throughout the Accord.

Additional reasons and considerations:

- **Preparedness indicators are complicated and not fit for purpose to drive post-secondary attainment:** A proposed model of scaled per-student funding based on assumed academic preparedness is complex and not suitable for the purported policy objectives of the MGFS and NBFM. It fails to account for the diverse indicators of preparedness, such as international qualifications, VET qualifications, career experience, and enabling pathways.
- **ATARs are particularly limited for a regional context:** Relying on ATAR as the primary indicator of academic preparedness assumes that the default participants of the higher education system are young school-leavers. This does not reflect the enrolment profiles of regional campuses, where students are more likely to be mature-age (25+) and entering via non-ATAR pathways.
- **Equity standardisation between ATAR and non-ATAR students is likely not reconcilable:** Determining consistent and equitable funding allocation between ATAR-entry equity students and non-ATAR mature-age equity students poses significant challenges. Both groups require additional supports but under different circumstances, questioning the value and ease of a scaled approach.

Framework of Equity Support Activities

6. What types of supports could providers be able to use Needs-based Funding for, including direct, academic and inclusion, and indirect supports?
7. Should there be guidance on how funding is split between direct, academic and inclusion, and indirect student supports?
8. Would an outcome-based framework for funding accountability be more effective than a Framework of Activities? How could this work?

Federation Positions:

- **The Needs-based Funding System must cover a wide range of supports:** This should include direct financial support, academic support, and indirect supports that drive the successful participation and education outcomes of students from these equity cohorts. This includes First Nation Student organisations,
- **Guidance or program definition can help support common practices and align to an outcome-based framework consistent with the MGFS:** This guidance should allow for flexibility to accommodate the specific needs and contexts of individual institutions and their student cohorts. The outcome-based framework should align to the KPIs and other indicators used in the MGFS.

Key Considerations:

- The NBFM should support the principle of university autonomy in decision-making to ensure the distinct needs of their unique student cohorts. Universities are best placed to determine how needs-based funding is split between direct, academic and inclusion, and indirect student supports.
- Federation is concerned about the regulatory burden associated with the Framework's reporting requirements. This burden would disproportionately impact smaller regional universities servicing high concentrations of equity cohorts, diverting resources from core business activities.
- Resources must be distributed in a needs-focused way, prioritising institutions that have demonstrated excellence in supporting equity cohorts. This could include inking improvements in equity student success from Needs-based Funding to the outcome of a provider's requests for additional Managed Growth Targets. The resources required and the measures of success should be part of compact negotiation in supporting regional universities.

Additional Reasons and Considerations:

- **Federation supports a flexible, broad and outcome-orientated definition of "indirect supports"**: There is significant scope for innovation in how these equity cohorts can be supported to enter and succeed in post-secondary education to meet their goals. For example, Federation's Co-Operative Education Model of mandatory industry placements could include stronger supports for equity students on placement, which would amplify the impact of industry workplace based learning in the regional context.
- **Verification requirements proposed in the NBFM Implementation Paper**: This includes ensuring services obligated through existing legislation or existing support programs are properly defined to ensure they do not hinder funding property support services. Needs-based funding should enhance, not limit, universities' existing successful support schemes.

Developing an Evidence-based Framework

9. **How could the system, including the ATEC, provide scope for innovation, encourage the trialling of new student supports, and share best practice?**
10. **How could Government develop high-quality evidence and strong accountability mechanisms for outcomes that demonstrate support is effective and fit-for-purpose?**
11. **How could the Framework reflect activities targeted at supporting completion and be sensitive to different stages of a student's study, for example high attrition in the early years of study?**
12. **How could student support activities differ for students from alternative entry pathways, for example mature age students or those that enter via preparatory courses?**
13. **How could Needs-based Funding support successful transition into further study or employment?**
14. **How could Government leverage existing expertise, especially through the Australian Centre for Student Equity and Success (ACSES), to enable innovation and grow the evidence base?**

Federations Position:

- The system must support regional university autonomy and not implement punitive approaches to monitoring funding, but instead empower institutions to implement localised, evidence-based support strategies that cater to the needs of their student who are largely from equity backgrounds including a critical emphasis:
 - on transition to local employment by ensuring equity students are aligned to and deliver MGFS's objectives to secure national priorities, and
 - on innovative programs that deal with the challenges of post-secondary education attainment in a regional context.
- Accountability mechanisms should avoid adding unnecessary regulatory burdens, particularly on smaller regional universities. The framework should support institutions without diverting resources from core activities.
- The ATEC should have the remit to work with the ACSES to support more efficient and effective programs to support equity cohorts nationally, including the establishment of a dedicated Learning and Teaching Council to promote effective learning and teaching models across the sector.

Additional Reasons and Considerations

- **Challenges for Regional Universities**: Regional universities face unique challenges due to their high proportion of equity students and the complexity of delivering services. Innovation is essential to improve accessibility and support for these cohorts effectively.
- **Best Practices and the Role of ACSES**: Different universities serve diverse cohorts with unique needs. Encouraging the sharing of best practices through ATEC and ACSES supports this diversity. Partnering with ACSES to conduct research, create advisory panels, and fund collaborative projects will foster innovation and improve outcomes for equity students, leveraging existing expertise as emphasized by the Accord.
- **External Factors and Regional Cohorts**: Many non-academic factors, such as financial challenges, employment responsibilities, and caregiving obligations, contribute to student non-completions, particularly for regional cohorts with higher proportions of equity students.

- **Regulatory Burden:** Minimising administrative burdens is crucial for regional universities to focus on their core mission of educating equity cohorts. The Accord highlights the importance of funding and reducing unnecessary regulatory burdens in delivering that funding.
- **Alignment with MGFM Indicators:** Success metrics should reflect the realities of regional universities, aligning with the Managed Growth Funding Model (MGFM) indicators and considering the impact of disadvantage and cohort characteristics.
- **Federation's Co-Operative Education Model:** This model, which includes embedded pedagogy and teaching to support transition to work, incurs additional costs but is crucial for the success of Federation's predominantly equity-background students. Additional funding is needed to support such innovative programs.
- **Innovative Approaches:** Federation supports a broad, flexible definition of "indirect supports" to allow for innovation in supporting equity cohorts. While these are not a definitive list of Federation programs, examples of different approaches could include designing programs for:
 - Remote Accessible Learning Hubs – in partnership with Local Government
 - Disability Access Modernisation – including Sensory Safe Spaces and Around Campus Disability Transport Services
 - Tailored First Nations Online Learning Modules – for high-intake programs with First Nation's students
 - Flexible Online or In-Class Child Friendly Teaching Options – to promote more flexibility for low SES students with caring responsibilities.

Delivery Organisations and Other Programs

15. **What types of organisations would be suitable to deliver the support activities for identified student groups, including students studying in regional campuses?**
16. **What would be the role of First Nations-led organisations in delivering services to First Nations students and other students?**
17. **How could the Indigenous Student Success Program (ISSP) and Higher Education Participation and Partnerships Program (HEPPP) inform the proposed Needs-based Funding system? What elements of these programs should be adopted to a new Needs-based Funding model? What elements should not be adopted?**

Federation's Position:

- The NBFM system can provide greater clarity on the types of organisations suitable for delivering support activities to identified student groups, particularly those studying on regional campuses. However, it is essential to preserve the autonomy of regional universities and recognise the diversity of their student group arrangements and capabilities. Federation asserts that universities are best positioned to implement localised, evidence-based support strategies that cater to the unique needs of their predominantly equity-background student cohorts.
- Federation believes there is a strong role for First Nations-led organisations in determining and delivering the most effective services to help First Nations students succeed at university. Federation acknowledges that First Nations peoples must have the ability to make and inform decisions about matters that affect their lives, with choice, participation, and control being essential to the exercise of self-determination. However, it is also critical to recognise the strength of the First Nations capability within universities and their leadership in delivery of community-endorsed and national best-practice services and support for First Nations students. It would be both insensitive and inappropriate for any requirement that does not acknowledge the powerful and significant work that each university's First Nations team does in existing partnership with First Nations communities and organisations. In regional areas, the university's First Nations teams often provide both university and community leadership and this role should not be undermined.
- The consultation paper's current focus on the Needs-based Funding model appears to be limited to students already enrolled, neglecting critical areas of aspiration-building and outreach. Further to its response in Question 1, Federation stresses that:

- the widening participation and aspiration-building aspects of the HEPPP must be retained, prioritised, and funded separately from per-student Needs-based Funding, which should be reserved solely for direct student support, if it is integrated in a refreshed NBFM.
- attention should also be directed towards the role that tertiary infrastructure and technology plays in aspiration-setting and widening participation, particularly for smaller regional universities that attract large cohorts of equity students.

Additional Reasons and Considerations:

- **Autonomy in Delivering Student Support:** Federation supports the need for universities to maintain autonomy in deciding the most suitable mechanisms for delivering support to their unique student cohorts. Regional universities are distinct in their challenges, and localised, evidence-based strategies are necessary to address the specific needs of equity students. Greater clarity on suitable organisations to deliver these support activities is required, but without compromising the independence of individual universities.
- **Empowering First Nations Students:** Federation recognises the role of First Nations-led organisations in supporting the success of First Nations students at university, but this must extend to recognising the vital work of each university's own First Nations teams. It is imperative that the appropriate groups are empowered to make and inform decisions about matters affecting First Nations students appropriate to each region, ensuring that choice, participation, and control are central to self-determination efforts. This approach is crucial for the effective delivery of services tailored to the needs of First Nations students.
- **Retention of Aspiration and Outreach Programs:** Federation stresses the importance of retaining and prioritising the aspiration-building and outreach components of the HEPPP. These programs are essential for promoting equality of opportunity in higher education, particularly for students from low SES backgrounds, regional areas, and Indigenous communities. The current focus of the Needs-based Funding model on enrolled students overlooks the critical role of outreach in widening participation.

Federation advocates for separate funding for these activities, distinct from per-student Needs-based Funding, to ensure that they continue to play a vital role in encouraging higher education participation among underrepresented groups.

- **Infrastructure and Outreach Challenges:** Federation acknowledges the significant role that tertiary infrastructure plays in aspiration-setting and widening participation. Smaller regional universities, which are the largest attractors of equity student cohorts, face unique infrastructure resourcing challenges. Addressing these challenges is vital to supporting the outreach and aspiration-building efforts necessary for realising future growth targets through equity.

Additionally, Federation recognises that outreach programs often have significant lead times, sometimes in excess of ten years before students commence university studies. Therefore, it is essential to utilise longitudinal data to better understand the long-term success of these initiatives, ensuring that they effectively contribute to widening participation in higher education.

Improving Data Collection

18. How could Government improve the quality of data collection and analysis across the sector, to accurately recognise eligibility for Needs-based Funding and enhance understanding of the experience of identified cohorts in higher education?

Federation's Position:

- When established, the ATEC should prioritise the effective use of existing data within the NBFM, with standardised collection practices across institutions to ensure consistency, accuracy, and minimal administrative burden. Federation benefits from easy data integration and recognises that this approach will also assist smaller universities with limited resources.
- In addition to this, the ATEC should invest in advanced data analytics tools and training to enhance the sector's data analysis capabilities, ensuring live and timely data informs responsive decision-making within the NBFM.

Key Reasons and Key Considerations:

- **Leveraging Existing Data:** The current system contains valuable data that, if optimised by ATEC, can significantly improve the NBFM’s decision-making process without the need for additional, potentially burdensome, data collection systems. Smaller regional universities, which often lack resources, would benefit from this approach as it reduces unnecessary administrative demands and leverages data that institutions like Federation already track.
- **Standardisation and Consistency:** Standardised data collection methods across all institutions are crucial for making accurate comparisons and ensuring that Needs-based Funding is allocated fairly within the NBFM. Standardisation helps to mitigate disparities and enhances the reliability of data used in funding decisions. Federation’s established data systems serve as a model for how this can be efficiently achieved.
- **Minimising Administrative Burden:** Additional data reporting requirements can disproportionately affect smaller universities, particularly those in regional areas with limited resources. ATEC should adopt a collaborative approach with these institutions to ensure that any new data collection processes are both relevant and manageable, supporting their core educational mission. Federation’s experience shows that efficient data integration is possible and can be extended to benefit smaller institutions.
- **Advanced Analytics and Timely Data:** Investing in advanced data analytics and prioritising live, real-time data will empower institutions to respond swiftly to the evolving needs of students, particularly those from equity cohorts. ATEC’s adoption of these tools within the NBFM will ensure that support services are continuously refined and targeted effectively. Federation’s success in using advanced analytics demonstrates the potential benefits for the broader sector, including smaller universities.

19. What data do we need to ensure providers receive appropriate funding for identified cohorts who need additional support and so providers can design and deliver appropriate supports?

20. Are current practices of data collection adequate? What could universities improve in collecting student data?

Federation’s Position:

- Similar to the above, when established ATEC should ensure that the NBFM collects detailed demographic and academic preparedness data to tailor support and allocate funding effectively and should integrate longitudinal tracking and regular student feedback into the NBFM to continuously improve support strategies and ensure alignment with student needs to support smaller university decision-making

Additional Reasons and Considerations:

- **Comprehensive Demographic Information:** Detailed demographic data—such as socio-economic status, disability status, and First Nations status—provides a clear picture of the diverse needs of student cohorts. This information is essential for ensuring that funding within the NBFM is accurately targeted to support those most in need. Federation partly tracks this data effectively, and coordinating this capability could greatly assist smaller universities in their data collection efforts.
- **Academic Preparedness Indicators:** Data on academic preparedness, including prior educational attainment, allows institutions to identify students who may require additional academic support. This enables the design of targeted interventions that enhance student outcomes. Federation’s existing systems for tracking academic preparedness data serve as an example of how these practices can be adopted across the sector to support funding allocation in the NBFM.
- **Longitudinal Data and Continuous Feedback:** Tracking student progression, retention, and completion rates over time provides critical insights into the effectiveness of support services. Regular feedback from students about their educational experience helps institutions to adjust their strategies in real-time, ensuring that support remains relevant and effective. Federation’s integration of longitudinal data and feedback mechanisms supports this approach, which can be scaled to benefit smaller universities within the NBFM framework.
- **Collaborative Data Collection:** ATEC should engage universities in the data collection process to ensure that the data gathered is practical, relevant, and aligned with the operational realities of higher education institutions. This collaboration supports the development of evidence-based strategies that effectively address the needs of equity cohorts and optimises the use of allocated funding within the NBFM. Federation’s experience in efficient data integration could provide valuable insights to assist smaller universities in this collaborative effort.