

Senate Committee: Education and Employment

QUESTION ON NOTICE Additional Estimates 2015 - 2016

Outcome: Higher Education Research and International

Department of Education and Training Question No. SQ16-000044

Senator Abetz, Eric provided in writing.

Student Services and Amenities Fee

Question

In relation to the Student Services and Amenities Fee:

1. What is the current level of SSAF?
2. Is the Department aware of how many students are required to pay SSAF?
 - a. Can a breakdown be provided by either state or by university?
3. Is the Department aware of how much SSAF funding has been collected in each year since its collection? Please provide this information.
4. Is the Department aware of reports of the misuse of funds obtained under the SSAF?
5. What legislative requirements are there to ensure funding is spent in accordance with the Act?
6. What, if any, steps does the Department take to ensure that funding is spent correctly?
 - a. Are entities required to abide by any regulations, for example under the Corporations or similar Acts?
7. What penalties exist for misusing SSAF funds or for spending funds for purposes outside the requirements specified in the Act?
8. How many investigations has the Department undertaken into the misuse of SSAF funding?
 - a. Please provide details of all investigations.

Answer

1. In 2016, the maximum Student Services and Amenities Fee (SSAF) chargeable by higher education providers is \$290.
2. The department does not collect information on how many students are required to pay SSAF.
 - a) As above.
3. Yes. The SSAF funding collected by universities was:
 - \$85.1 million in 2012
 - \$114.9 million in 2013
 - \$111.0 million in 2014The data for 2015 is not yet available.
4. Yes.
5. The charging and expenditure of SSAF by higher education providers (HEPs) is regulated by the *Higher Education Support Act 2003* (HESA). Section 19-38 limits the way higher education providers can spend the student services and amenities fees they receive.

6. It is the responsibility of individual HEPs to ensure that the SSAF revenue they collect is spent in accordance with the legislative requirements. To assist with this, the department has:
- advised all providers in writing of the requirements governing the expenditure of SSAF revenue;
 - ensured that information on the legislative requirements is readily available, for example on the department's website.

The department also monitors the use of SSAF revenue and its compliance with the legislation, including through:

- requiring participating HEPs to provide an annual compliance certificate signed by the Vice-Chancellor or Chief Executive Officer confirming that SSAF revenue was raised and expended in accordance with the legislation;
- reviewing the websites of participating HEPS, particularly their reports on actual SSAF expenditure, to ensure that the rates of SSAF and the expenditure of SSAF revenue are consistent with the legislation.

The department has also established a public inbox (SSAF@education.gov.au) which enables anyone concerned about a potential breach of the SSAF legislation or guidelines to raise their concerns directly with the department. All the concerns raised with the department are investigated.

- a) SSAF is managed under HESA, and higher education providers are required to comply with the requirements of the Act and the applicable Guidelines.
7. The student services and amenities provisions form part of the 'quality and accountability requirements' under Division 19 of HESA. Compliance with the 'quality and accountability requirements' is a condition of all grant funding for providers under the Act.

If a provider requires a person to be a member of a student organisation or to pay a fee in respect of such an organisation, there is an automatic penalty for breaching section 19-37 of the Act. Under section 33-37, the provider's grant is reduced by over \$100 for each Commonwealth supported place provided in the relevant year. This figure is indexed annually. In 2016 it is \$129.

If a provider breaches requirements other than those in section 19-37 of the Act, the Minister can determine that a grant to that university is to be reduced or repaid under section 54-1.

8. The department has undertaken seven investigations into allegations that the use of SSAF funding has been in breach of the legislation.

a) The investigations are summarised below.

1. In June 2012 it was alleged that the Australian National University Students' Association (ANUSA) had used SSAF funding to purchase jellybeans for a free give away.

The department confirmed that no SSAF revenue had been used to purchase the jellybeans.

2. In August 2012 it was alleged that the ANUSA had misspent SSAF funding on a function.

The department reviewed these claims and determined that no breach of the Act or associated Guidelines had occurred. ANUSA received SSAF funding from the university for food and drink and to support student orientation which are allowable expenditures under HESA (subsection 19-38 (4)(a)).

3. In May 2013 it was alleged that the University of Newcastle breached the legislative requirements by funding the Newcastle University Students' Association and by supporting Peer Assisted Study Sessions.

The department confirmed that the purposes to which the university had allocated SSAF revenue were allowable under the Act. The support of the Students' Association was considered consistent with the intent of subsection 19-38 (4)(c) of HESA which allows for 'supporting the administration of a club most of whose members are students'.

The Peer Assisted Study Sessions were considered consistent with 'helping students develop skills for study, by means other than undertaking courses of study in which they are enrolled' (subsection 19-38 (4)(o) of HESA).

4. In August 2013 it was alleged that the University of Queensland Union (UQU) had breached the legislative requirements by using SSAF funding in 2012 to support the Young Liberal student electoral ticket known as 'Fresh'.

The University engaged an independent auditor to undertake an investigation into the allegations raised against UQU, including inappropriate use of funds. When this independent audit identified expenditure that was not in accordance with the provisions of the Act, the University took appropriate action and the funds in question were repaid by the Union, and by elected officers.

5. In April 2014 it was alleged that Charles Sturt University breached the legislation by using SSAF revenue to establish Ally, a programme for lesbian, gay, bisexual, transgender and intersex students.

The department determined that the purposes to which the university had allocated SSAF revenue were allowable under subsection 19-38 (4)(f) of the Act as promoting the health or welfare of students.

6. In August 2014 it was alleged that the University of Melbourne Student Union breached the legislative provisions by using SSAF revenue to support the Labor Party's launch of its higher education policy.

The department confirmed that no SSAF revenue had been used for the event.

7. In October 2015 it was alleged that the University of Newcastle Labor Club breached the legislative requirements by using SSAF revenue for the production of posters promoting an on-campus event (BBQ) which featured local Labor party guest speakers.

The department determined that this case could be interpreted as a breach of subsection 19-38 (2)(a) of HESA, which states that: 'if the higher education provider pays a person or organisation an amount paid to the provider as a student services and amenities fee, the provider must make the payment on condition that none of the payment is to be spent by the organisation to support ...a political party.'

The alleged breach was fully investigated by the University of Newcastle, which determined a potential breach may have occurred. In order to avoid the potential of such breaches occurring in future, the University of Newcastle changed the way in which funding for student clubs and societies is distributed. These new procedures ensure that specific club functions or events (irrespective of the purpose or membership of the club) must meet stricter conditions for approval, in advance of any funding.