



# Australian Government

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## Funding Agreement

between the

**COMMONWEALTH OF AUSTRALIA**

as represented by the

**Minister for Education**

and

**Royal Melbourne Institute of Technology**

regarding funding

**under the *Higher Education Support Act 2003* in respect of the  
2021, 2022 and 2023 grant years**

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## Parties and Recitals

**THIS AGREEMENT** is made on the date on which it is executed by the Commonwealth of Australia

### BETWEEN

**THE COMMONWEALTH OF AUSTRALIA** represented by the Minister for Education ('the Commonwealth')  
[ABN 12 862 898 150]

AND

**Royal Melbourne Institute of Technology, GPO Box 2476 MELBOURNE VIC 3001** ('Provider')  
[ABN 49 781 030 034]

### RECITALS

- A. The Provider meets the requirements of paragraph 30-1(1)(a) of HESA.
- B. This funding agreement meets the requirements under subsection 30-25(1) of HESA in respect of the 2021, 2022 and 2023 grant years.
- C. Entering into this agreement is a requirement under subparagraph 30-1(1)(a)(ii) of HESA for a Commonwealth Grant to be payable to the Provider under Part 2-2 of HESA.
- D. Subject to subsections 30-25(2A) and 30-25(2B) of HESA, this funding agreement specifies conditions to which the Commonwealth Grant is subject that are additional to the conditions that apply to the Commonwealth Grant under Division 36 of HESA.
- E. This agreement complements the mission-based compact between both parties setting out how the Provider's mission aligns with the Commonwealth of Australia's goals for higher education.
- F. This agreement also gives the Provider an overview of other Commonwealth funding provided under HESA and relevant legislative instruments. This overview is for information only and is set out in the 'Background and Description of Commonwealth Funding' section that follows.
- G. Under section 36-65 of HESA, the Provider must comply with this funding agreement.

### BACKGROUND AND DESCRIPTION OF COMMONWEALTH FUNDING

The Commonwealth of Australia will provide funding under the three broad streams below, as administered by the Department of Education, Skills and Employment (Department), subject to relevant HESA provisions, the conditions of this agreement, and the conditions of any grants provided under each funding stream, which provide the essential building blocks to support world-class teaching and research effort in line with this shared goal. The Provider agrees to use this funding as intended to drive quality higher education and research in the public interest.

#### 1. *Teaching base grants*

In accordance with Division 33 of HESA and as set out in Part A of this agreement, the Provider will receive a total basic grant amount (TBGA) in Commonwealth Grant Scheme funding, which is an amount up to the sum of the Provider's:

- maximum basic grant amount (MBGA) for higher education courses
  - may include funding for the Provider to partner with a Regional University Centre (RUC). This funding component is to be used to support the objectives of the RUC.
  - provides a flexible funding envelope within which funding can be moved between disciplines (excluding medicine) and course levels (sub-bachelor, bachelor and postgraduate).
- MBGA for designated higher education courses (currently only courses of study in medicine)

- any funding the Provider receives for demand driven higher education courses, calculated in accordance with section 33-5 of HESA and on the basis of the new funding cluster rates commencing on 1 January 2021 and the Provider's 2019 student load.

The Provider may also receive other loading amounts as specified in paragraph 33-1(1)(b) of HESA, and worked out in accordance with the *Commonwealth Grant Scheme Guidelines 2020*. The Transition Fund Loading will be provided in accordance with the *Commonwealth Grant Scheme Guidelines 2020*.

## 2. *Research base grants*

The Research Block Grants are calculated in accordance with Part 2-3 (Other grants) and 2-4 (Commonwealth scholarships) of HESA and comprise two components:

- The Research Training Program (RTP), which supports the training of students undertaking Research Doctorate and Research Masters courses, as set out in the *Commonwealth Scholarships Guidelines (Research) 2017*.
- The Research Support Program (RSP), which provides a flexible funding stream to assist eligible providers with the systemic costs of university research, as set out in the *Other Grants Guidelines (Research) 2017*.

Grants for the relevant program will be made to eligible providers through the relevant instrument and on the conditions set out in the relevant instrument. If the provider reports any unspent RSP grant amounts to the Department in relation to the 2021 grant year, the Department will approve the rollover of any unspent amounts into the 2022 grant year. Further, if the Provider spends RSP grant amounts on RTP scholarships, the conditions set out in *Commonwealth Scholarships Guidelines (Research) 2017* apply to these scholarships.

## 3. *Engagement base grants*

There are three grants available to eligible providers under this funding stream that have been established as programs under the *Other Grants Guidelines (Education) 2012*:

- The National Priorities and Industry Linkage Fund (NPILF) which supports the vital functions of engagement with industry, development of industry-relevant course material, optimisation of the course mix for local economies, and provision of work-integrated learning opportunities for students.
- The Indigenous, Regional and Low Socio-Economic Status Attainment Fund (IRLSAF) which supports initiatives to improve access and participation for groups in the population with lower participation and attainment rates, including Indigenous persons, students from low socio-economic backgrounds, and those from regional areas and remote areas.
- The National Institutes Program which provides funding to eligible providers to support national institutes.

Conditions applying to the relevant program are set out in the *Other Grants Guidelines (Education) 2012* and the conditions of grant (if any) made by the Minister. Grants under the relevant program will be made to eligible providers under the *Other Grants Guidelines (Education) 2012*.

The Provider may also receive other grants for ad hoc programs or projects under Part 2-3 (Other grants) of HESA and/or the *Other Grants Guidelines (Education) 2012*. Conditions applying to these grants are set out in the *Other Grants Guidelines (Education) 2012* and/or the conditions of grant (if any) made by the Minister.

*Indicative maximum funding amounts*

Indicative maximum funding amounts for each of these funding streams are shown in the following table. The table does not include amounts for any ad hoc grants made under Part 2-3 (Other grants) of HESA and/or the *Other Grants Guidelines (Education) 2012*. The amounts in the table are included for reference only and are not intended to pre-empt or otherwise affect the making of any grant under, or in accordance with, HESA, the *Commonwealth Grant Scheme Guidelines 2020*, the *Other Grants Guidelines (Education) 2012*, the *Other Grants Guidelines (Research) 2017* or the *Commonwealth Scholarships Guidelines (Research) 2017*. The amount of funding the Provider actually receives will be calculated based on HESA and the relevant legislative instrument.

**Table 1: Summary of indicative maximum funding amounts**

Funding	2021 (\$m)	2022 (\$m)	2023 (\$m)
<b>1. Teaching</b>			
Higher education courses (MBGA funding envelope, including an amount contingent on meeting performance-based funding requirements)	\$253,144,311	\$248,440,419	\$246,922,297
<i>Additional amounts for RUCs (included in the Provider's MBGA for higher education courses shown above)</i>	N/A	N/A	N/A
MBGA for designated higher education courses (medicine)	\$0	\$0	\$0
Any funding for demand driven higher education courses (amounts to be paid based on actual student enrolments)	Will be paid on actuals	Will be paid on actuals	Will be paid on actuals
Loading amounts (including Transition Fund Loading)	\$18,018,464	\$10,957,064	\$3,574,081
<b>2. Research</b>			
Research Training Program	\$22,010,697	To be determined prior to 2022	To be determined prior to 2023
Research Support Program	\$25,915,912	To be determined prior to 2022	To be determined prior to 2023
<b>3. Engagement</b>			
NPILF	\$8,750,000		
IRLSAF	\$4,667,941		
<b>Total</b>	<b>\$332,507,325</b>		

## **NOW IT IS AGREED** as follows:

### **PART A: Commonwealth Grant Scheme funding**

#### *Commonwealth Grant Scheme funding amount and payment arrangements*

1. The Commonwealth will pay to the Provider the CGS funding amount for the 2021, 2022 and 2023 grant years, calculated in accordance with Division 33 of HESA.
2. The Commonwealth will notify the Provider before the start of the relevant Grant Year covered by this agreement about the CGS advances in respect of amounts expected to become payable to the Provider for the relevant Grant Years under subsection 164-10(1) of HESA for:
  - 2.1. higher education courses;
  - 2.2. designated higher education courses; and
  - 2.3. demand driven higher education courses.
3. Amounts payable as CGS advances may be adjusted throughout the relevant Grant Year based on information provided to the Commonwealth by the Provider.
4. CGS advances made in respect of a Grant Year will be reconciled with CGS funding payable to the Provider for the relevant year. This reconciliation will occur in the year following the Grant Year when actual student enrolment data for the Grant Year is finalised and provided to the Commonwealth. If the amount of an advance paid to the Provider exceeds the amount that becomes payable to the Provider, the Commonwealth will seek recovery of the overpaid amount from the Provider under subsection 164-10(1A) of HESA.
5. To ensure the Provider is able to keep operating and employing staff in the aftermath of the COVID-19 pandemic, the Commonwealth has created the Higher Education Continuity Guarantee (HECG) as a program under the *Other Grants Guidelines (Education) 2012*. The Commonwealth will provide grants to eligible providers under the HECG for the Grant Years 2021, 2022 and 2023. The HECG has colloquially been referred to as the 'CGS funding guarantee' for the relevant Grant Years.

#### *Estimates of Commonwealth supported places*

6. The Provider must provide accurate and timely estimates of Commonwealth supported places, including the number of grandfathered students and non-grandfathered students expected to study in Commonwealth supported places, for the current year and future years, as required by the Commonwealth.

#### *Provision of other data*

7. The Provider must provide data relating to revised transparency arrangements as requested, including in relation to admissions processes and the cost of teaching and scholarship. This includes providing the data in the form and at the times required by the Commonwealth to support the national admissions platform.

### **Section One: Higher education courses**

#### *Maximum basic grant amount for higher education courses*

8. The maximum basic grant amounts for higher education courses, specified for the purposes of paragraph 30-27(1)(a) of HESA, for the Grant Years covered by this agreement, are set out in Table 1a of Appendix 1. Appendix 1 also contains additional conditions in relation to the maximum basic grant amount for higher education courses with which the Provider must comply.

*Trading Commonwealth supported places with another provider*

9. The Provider may trade Commonwealth supported places for its higher education courses with another Provider, subject to the transaction being cost neutral and receiving approval from the Commonwealth.
10. If a trade occurs, both providers must notify the Commonwealth in writing by 31 March of the year for which the trade applies and in advance of the census date for the traded places.
11. Both providers must demonstrate arrangements are in place to take into account the number of places required in the pipeline of enrolments beyond the transfer to ensure students can complete their courses.
12. If approved by the Commonwealth, each Provider's funding agreement will be updated to reflect the trade (including to make changes to each Provider's MBGA for higher education courses). The trade will not be effective until the required changes are made to each Provider's funding agreement.

**Section Two: Transition Fund Loading**

*Amount of Transition Fund Loading payable to the Provider*

13. The amount of Transition Fund Loading payable to the Provider for the relevant Grant Years is calculated using the formula in the CGS Guidelines and is estimated as:
  - For 2021: \$18,018,464
  - For 2022: \$10,957,064
  - For 2023: \$3,574,081

**PART B: Other conditions and requirements***Clinical placements and practicums*

14. For a course that is accredited under section 49 of the National Law, the Provider must ensure that each student enrolled in the course has access to clinical placements in accordance with the approved accreditation standard for the profession.
15. For a course that provides a pathway to professional certification or registration, where that certification or registration requires the completion of a clinical or practicum placement (for example in initial teacher education, engineering, social work) the Provider must ensure that each student enrolled in that course has access to clinical placements or practicums in accordance with the relevant professional accreditation standards.

*New campuses and campus closures*

16. The Provider must obtain the Commonwealth's prior written approval if the Provider proposes to enrol Commonwealth supported students in a course of study that is, or is to be undertaken, primarily at an educational facility, other than one of the Provider's campuses listed below in [Table 2](#) or approved educational facilities listed below in [Table 3](#).
17. Similarly, if the Provider proposes to close a campus or approved educational facility where Commonwealth supported students are enrolled, the Provider must obtain the Commonwealth's prior written approval.

**Table 2: Provider's campuses**

Name of campus	
Brunswick	Bundoora
Melbourne City	

**Table 3: Approved educational facility**

Name of educational facility
N/A

*Applicable law and jurisdiction*

18. The laws of the Australian Capital Territory apply to the interpretation of this agreement.
19. The parties agree to submit to the non-exclusive jurisdiction of the courts of the Australian Capital Territory and any courts which have jurisdiction to hear appeals from any of these courts in respect to any dispute under this agreement.

*Entire agreement, variation and severance*

20. This agreement and the HESA record the entire agreement between the parties in relation to its subject matter.
21. Except for action the Commonwealth is expressly authorised or required to take elsewhere in this agreement or HESA, no variation of this agreement is binding unless it is agreed in writing and signed by the parties.
22. If a court or tribunal says any provision of this agreement has no effect or interprets a provision to reduce an obligation or right, this does not invalidate, or restrict the operation of, any other provision.



### Notices

23. A party giving notice under this agreement must do so in writing or by Electronic Communication:

23.1. if given by the Provider, marked for the attention of the First Assistant Secretary of the Higher Education Division of the Department of Education, Skills and Employment or other person as notified in writing by the Commonwealth to the Provider; or

23.2. if given by the Commonwealth, marked for the attention of the Vice-Chancellor and President or other person as notified in writing by the Provider to the Commonwealth;

and must be hand delivered or sent by pre-paid post or Electronic Communication to the address specified in this clause.

The address for notices to the Commonwealth is:

First Assistant Secretary  
Higher Education Division  
Department of Education, Skills and Employment  
50 Marcus Clarke Street  
GPO Box 9880  
CANBERRA ACT 2601  
Email: [cgs@dese.gov.au](mailto:cgs@dese.gov.au)

The address for notices to the Provider is:

GPO Box 2476  
MELBOURNE VIC 3001  
vc@rmit.edu.au

24. A notice given under clause 23 is taken to be received:

24.1. if hand delivered, on delivery;

24.2. if sent by pre-paid post, 6 business days after the date of posting; or

24.3. if sent by Electronic Communication, at the time that would be the time of receipt under section 14A of the *Electronic Transactions Act 1999*.

### Interpretation

25. In this agreement including Attachment A and appendices, unless the contrary intention appears:

**'ABN'** has the same meaning as in section 41 of the *A New Tax System (Australian Business Number) Act 1999*;

**'CGS'** means Commonwealth Grant Scheme;

**'Commonwealth Grant'** is the grant payable to the Provider under Part 2-2 (Commonwealth Grant Scheme) of HESA;

**'Course of study'** has the same meaning as in subclause 1(1) of Schedule 1 of HESA;

**'Demand driven higher education course'** has the same meaning as in subclause 1(1) of Schedule 1 of HESA;

**'Designated higher education course'** has the same meaning as in subclause 1(1) of Schedule 1 of HESA;

**'EFTSL'** has the same meaning as in subclause 1(1) of Schedule 1 of HESA;

**'Electronic Communication'** has the same meaning as in subsection 5(1) of the *Electronic Transactions Act 1999*;

**'Funding clusters'** has the same meaning as set out in subclause 1(1) of Schedule 1 of HESA;

**'Grant Year'** has the same meaning as in subclause 1(1) of Schedule 1 of HESA;

**'Higher education course'** has the same meaning as in clause 1 of Schedule 1 of HESA;

**'HESA'** means the *Higher Education Support Act 2003*;

**'Indigenous person'** has the same meaning as in subclause 1(1) of Schedule 1 of HESA;

**'Maximum basic grant amount' or 'MBGA'** has the same meaning as in subclause 1(1) of Schedule 1 of HESA;

**'National Law'** means (a) for a state or territory other than Western Australia – the Health Practitioner Regulation National Law as set out in the Schedule to the *Health Practitioner Regulation National Law Act 2009 (Qld)* as it applies (with or without modification) as a law of the State or Territory; and (b) for Western Australia – the legislation enacted by the *Health Regulation National Law (WA) Act 2010* that corresponds to the Health Practitioner Regulation National Law;

**'Number of Commonwealth supported places'** has the same meaning as in subclause 1(1) of Schedule 1 of HESA;

**'Regional area'** has the same meaning as in subclause 1(1) of Schedule 1 of HESA;

**'Remote area'** has the same meaning as in subclause 1(1) of Schedule 1 of HESA;

**'Total basic grant amount'** has the same meaning as in subclause 1(1) of Schedule 1 of HESA.

26. In this agreement, unless the contrary intention appears:

- 26.1. words in the singular include the plural and vice versa;
- 26.2. clause headings or words in bold format are inserted for convenience only, and have no effect in limiting or extending the language of provisions;
- 26.3. all references to dollars are to Australian dollars;
- 26.4. unless stated otherwise, a reference to legislation is to legislation of the Commonwealth, as amended from time to time;
- 26.5. an uncertainty or ambiguity in the meaning of a provision of this agreement will not be interpreted against a party just because that party prepared that provision;
- 26.6. where a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning; and
- 26.7. where a word or phrase is not specifically defined in this agreement and the word or phrase occurs in the *Higher Education Support Act 2003*, the word or phrase will have the same meaning as in that Act.

**SIGNED for and on behalf of**

THE COMMONWEALTH OF AUSTRALIA

by Danielle Donegan, A/g First Assistant Secretary, Higher Education Division of the Department of Education, Skills and Employment as delegate of the Minister for Education.

**Signed by**

Danielle Donegan

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**Date:** 16 December 2020

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**In the presence of:**

**Signed by**

Thida Sheriff

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**Position of witness**

Division Business Manager

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**SIGNED for and on behalf of**  
RMIT University

**Signed by**

Martin Bean, CBE

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**Position**

Vice-Chancellor and President

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**In the presence of:**

**Signed by**

Rosemary Mould

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**Position or profession of witness**

Executive Officer

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**Table 1a. MBGA for 2021-23 grant years for higher education courses**

<b>2021</b>	\$253,144,311
<b>2022</b>	\$248,440,419
<b>2023</b>	\$246,922,297

**Maximum basic grant amount for higher education courses**

1. The maximum basic grant amount for higher education courses is calculated by:
  - 1.1. applying indexation consistent with the methodology set out in Part 5-6 of HESA; and
  - 1.2. applying the growth factors in the following table for each of the Provider's campuses.

<b>Campus</b>	<b>Remoteness Classification</b>	<b>2021 Factor</b>	<b>2022 Factor</b>	<b>2023 Factor</b>
Melbourne	Low metro	0.37%	0.64%	0.85%
Brunswick	Low metro	0.37%	0.64%	0.85%
Bundoora	Hi metro	0.91%	1.61%	2.12%

2. The maximum basic grant amount for higher education courses for a year also includes the following amounts that are contingent on meeting performance-based funding requirements in each year:
  - In 2021, performance-based funding is \$2,987,701
  - In 2022, performance-based funding is \$5,962,457
  - In 2023, performance-based funding is \$8,839,050
3. If the provider does not meet the performance-based funding requirements, the Provider's MBGA for a year will be adjusted to remove the performance-based funding amount specified above.