



# Australian Government

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## Funding Agreement

between the

**COMMONWEALTH OF AUSTRALIA**

as represented by the

**Minister for Education**

and

**The University of Melbourne**

regarding funding

**under the *Higher Education Support Act 2003* in respect of the  
2024, 2025 and 2026 grant years**

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## Parties and Recitals

**THIS AGREEMENT** was made on 22 December 2023 and varied on the date on which this variation 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

**The University of Melbourne**, 9th Floor, Raymond Priestley Building, PARKVILLE VIC 3010 ('Provider')  
[ABN 84 002 705 224]

### RECITALS

- A. The Provider meets the requirements of paragraph 30-1(1)(a) of HESA.
- B. This agreement was made on 22 December 2023 and varied on the date on which this variation is executed by the Commonwealth of Australia. This document reflects the consolidated and amended version of the funding agreement between the Provider and the Commonwealth for the 2024 to 2026 grant years.
- C. Part I of this funding agreement deals with the 2024 and 2025 grant years and meets the requirements under subsection 30-25(1) of HESA in respect of those grant years. Part II of this funding agreement deals with the 2026 grant year and meets the requirements under subsection 30-25(1) of HESA in respect of that grant year.
- D. 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.
- E. 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.
- F. 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. It also complements the Provider's Equity Plan setting out how the Provider intends to use amounts equivalent to any unspent Part 2-2 grant funding in the 2024 and 2025 grant years.
- G. 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 of each Part.
- H. Under section 36-65 of HESA, the Provider must comply with this funding agreement.

**SIGNED for and on behalf of  
THE COMMONWEALTH OF AUSTRALIA  
By**

Jessica Mohr

**Full name (please print)**

First Assistant Secretary  
Policy, Payments and Data Division

**Position**

of the Department of Education as delegate of the  
Minister for Education.

**Signature**

19/12/2025

**Date**

**In the presence of:**

Amanda Brown

**Witness Name (please print)**

Director  
Core Funding | Student Profiles Branch

**Witness Position or Profession (please print)**

**Witness Signature**

**SIGNED for and on behalf of  
The University of Melbourne**

**by**

Michael Wesley

**Full name (please print)**

Acting Vice-Chancellor

**Position (please print)**

**Signature**

**In the presence of:**

Carol Boles

**Witness Name (please print)**

Executive Assistant

**Witness Position or Profession (please print)**

**Witness Signature**

## PART I 2024-2025 Grant Years

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

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*.

#### 2. Research block grants

The Research Block Grants are calculated in accordance with Parts 2-3 (Other grants) and 2-4 (Commonwealth scholarships) of HESA and comprise of 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 allocated to eligible providers in accordance with the *Commonwealth Scholarships Guidelines (Research) 2017* and *Other Grants Guidelines (Research) 2017*. Grant conditions are set out in the Guidelines. Unspent RTP or RSP grant year amounts will be automatically rolled over into the following grant year, unless specified by the Secretary.

#### 3. Engagement base grants

There are three grants available to eligible providers under this funding stream that have been established as programs under the *Higher Education Support (Other Grants) Guidelines 2022*:

- The National Priorities and Industry Linkage Fund (NPILF) program which aims to produce graduates with the right mix of skills through three key objectives:
  - Increasing the number of internships, practicums and other innovative approaches to work-integrated learning across all disciplines

- Increasing the number of STEM-skilled graduates and improve their employment outcomes
  - rewarding providers for the development of partnerships and collaborations with industry.
- 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. Refer to Appendix 2 for further details.
- The National Institutes Grant provides funding to ensure the financial viability of the Victorian College of the Arts so that it can maintain its high standards in arts training and research and open up the campus to the wider community.

Conditions applying to the relevant program are set out in the *Higher Education Support (Other Grants) Guidelines 2022* and the conditions of grant (if any) made by the Minister. Grants under the relevant program will be made to eligible providers under the *Higher Education Support (Other Grants) Guidelines 2022*.

The Provider may also receive other grants for ad hoc programs or projects under Part 2-3 (Other grants) of HESA. Conditions applying to these grants are set out in the *Higher Education Support (Other Grants) Guidelines 2022* 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. 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 *Higher Education Support (Other Grants) Guidelines 2022*, 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**

| <b>Funding</b>                                                                                                                            | <b>2024</b>             | <b>2025</b>             |
|-------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>1. Teaching</b>                                                                                                                        |                         |                         |
| Higher education courses (MBGA funding envelope)                                                                                          | \$262,542,417           | \$276,005,738           |
| <i>Additional amounts for RUSHs (included in the Provider's MBGA for higher education courses shown above)</i>                            | \$0                     | \$0                     |
| <i>Additional amounts for Equity Places (included in the Provider's MBGA for higher education courses shown above)<sup>1</sup></i>        | \$1,855,574             | \$1,431,731             |
| <i>Additional amounts for Innovative Places (included in the Provider's MBGA for higher education courses shown above)</i>                | \$0                     | \$0                     |
| <i>Additional amounts for National Priority Places (included in the Provider's MBGA for higher education courses shown above)</i>         | \$0                     | N/A                     |
| <i>Additional amounts for Nuclear-Powered Submarine Places (included in the Provider's MBGA for higher education courses shown above)</i> | \$1,046,865             | \$2,079,871             |
| MBGA for designated higher education courses (medicine)                                                                                   | \$30,093,492            | \$31,166,385            |
| Any funding for demand driven higher education courses <sup>2</sup> (amounts to be paid based on actual student enrolments)               | Will be paid on actuals | Will be paid on actuals |
| Medical Student Loading                                                                                                                   | \$1,625,537             | \$1,619,905             |
| <b>2. Research</b>                                                                                                                        |                         |                         |
| Research Training Program                                                                                                                 | \$117,206,808           | \$121,170,874           |
| Research Support Program                                                                                                                  | \$126,305,288           | \$126,983,898           |
| <b>3. Engagement</b>                                                                                                                      |                         |                         |
| NPILF                                                                                                                                     | \$9,850,500             | \$10,254,370            |
| IRLSAF - Higher Education Participation and Partnerships Program                                                                          | \$1,829,949             | \$2,014,633             |
| IRLSAF - Regional Loading                                                                                                                 | \$125,367               | TBA                     |
| IRLSAF - Enabling Loading                                                                                                                 | \$0                     | N/A                     |
| National Institutes Grant                                                                                                                 | \$6,697,000             | \$6,971,000             |
| <b>Total</b>                                                                                                                              | <b>\$556,276,358</b>    | <b>TBA</b>              |

**NOTES:**

- Details on how Equity Places funding is to be spent are at Appendix 1.
- The demand driven advance payments are based on estimates provided by universities and will be reconciled against data verified by the provider for the relevant year and cleared by the Department.

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

### **SECTION 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 2024 and 2025 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 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 be eligible for a future 'Higher Education Continuity Guarantee – Equity' program grant that may be made under Part 2-3 HESA, the provider must use an amount equivalent to any unspent amounts from their eligible MBGA allocations (as outlined in Appendix 1) on initiatives that support equity cohorts. The provider must adhere to the department's requirements (as set out in this funding agreement and through other requests) relating to this program. The provider must also have an Equity Plan in place with the Department at the time the CGS reconciliation for 2024 and 2025 is completed.

#### *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.

### **Higher education courses**

#### *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.

#### *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.

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

13. The maximum basic grant amounts for designated higher education courses, specified for the purposes of paragraph 30-27(1)(b) of HESA, for the Grant Years covered by this agreement, are set out in Table 2.

*Allocation of Commonwealth supported places for designated higher education courses in medicine*

14. The total number of Commonwealth supported places for designated higher education courses in medicine allocated to the Provider under paragraph 30-10(1)(a), and for the purposes of subparagraph 30-25(3)(a)(iii) of HESA for the 2024 and 2025 Grant Years is set out in Table 2. For the purposes of paragraph 30-25(3)(c), this allocation is the maximum number of Commonwealth supported places for designated higher education courses in medicine provided by the Provider which can have a medical student loading in the relevant Grant Year.
15. Of the number of Commonwealth supported places in medicine allocated to the Provider under clause 13, the Provider must deliver 90 EFTSL in 2024, and 120 EFTSL in 2025 at the Shepparton, VIC campus.
16. The number of domestic annual completions for the Provider's designated higher education courses in medicine in 2024 and 2025 is outlined in Table 2. The Provider must not change its designated higher education course or courses in medicine in ways that will change the number of domestic annual completions for the course or courses.
17. The University must not admit more than 45 commencing domestic full fee paying students to its course or courses of study in medicine.

**Table 2: Allocation of Commonwealth supported places for designated higher education courses in medicine.**

| Grant Year | Total number of designated Commonwealth supported places (EFTSL) | Maximum number of domestic completions in medicine | MBGA for designated higher education courses in medicine |
|------------|------------------------------------------------------------------|----------------------------------------------------|----------------------------------------------------------|
| 2024       | 988                                                              | 295                                                | \$30,093,492                                             |
| 2025       | 985                                                              | 295                                                | \$31,166,385                                             |

### *Bonded Medical Program*

18. The total number of Commonwealth supported places for higher education courses in medicine includes the number of Bonded Medical Places (BMP) Scheme, Medical Rural Bonded Scholarship (MRBS) Scheme and the reformed Bonded Medical Program (commencing 1 January 2020) places.
  - 18.1 From 1 January 2021, the Provider must allocate 28.5 per cent of all commencing Commonwealth supported places for higher education courses in medicine to Bonded Medical Program students for the calendar year. Commencing with the 2020 intake, the number of Bonded Medical Program places may be averaged over a period of three consecutive calendar years to calculate 28.5 per cent.
  - 18.2 From 1 January 2021, the bonded places provided under the Bonded Medical Program must be used for Bonded Medical Program students only. Non-bonded and fee paying places must not be used for bonded students.
  - 18.3 The BMP Scheme ceased from 1 January 2021. The bonded places previously provided under the BMP and MRBS Schemes must continue to be used for BMP and MRBS students until they complete their higher education course in medicine.
  - 18.4 The MRBS Scheme places, which ceased in 2015, are separate from the BMP Scheme places. Students who were granted a MRBS Scheme place and are currently undertaking a higher education course in medicine cannot be counted towards the BMP Scheme's 28.5 per cent requirement.

## SECTION B: Other conditions and requirements

### *Provision of university offers to at-school students*

19. Higher Education Providers are responsible for their admission policies and procedures, consistent with the Higher Education Standards Framework (Threshold Standards) 2021. The provider's admission practices must ensure that students admitted are capable of succeeding academically, with appropriate support as required. The provider's admissions policies and practices must be evidence-based, transparent and publicly defensible.
20. Offers made to at-school students must respect and support the integrity of the successful completion of senior secondary education and must be conditional on the successful completion of the Senior Secondary Certificate of Education (or equivalent).
21. This section does not apply to students who will be enrolled on a non-award basis or students who will be enrolled in enabling courses.
22. The higher education provider:
  - 22.1 must not extend offers to Year 11 students;
  - 22.2 must not extend offers to at-school students in Year 12 prior to September 2024 for the 2025 academic year or prior to September 2025 for the 2026 academic year.

### *Clinical placements and practicums*

23. 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.
24. 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*

25. 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 or approved educational facilities listed below in Table 3.
26. Similarly, if the Provider proposes to close a campus where Commonwealth supported students are enrolled, the Provider must obtain the Commonwealth's prior written approval.

**Table 3: Provider's campuses**

| Name of campus and facility | Type   |
|-----------------------------|--------|
| Burnley                     | Campus |
| Creswick                    | Campus |
| Dookie                      | Campus |
| Parkville                   | Campus |
| Southbank                   | Campus |

### *Closures of courses*

27. The meaning of 'Closing a Course' or 'Closure' is provided in the Interpretation section.
28. Before closing any undergraduate and postgraduate courses of study in which Commonwealth supported students have been enrolled for more than two years (including a major within a course of

study), the Provider must notify the Commonwealth of its plans in writing.

29. The Provider must notify the Commonwealth of the potential course closure before 31 July each year, and before any information on the potential course closure is made public. The Provider's notice to the Commonwealth must be in the form included at Appendix 3 and must include the following information for each proposed course closure:

- 29.1 whether the course prepares students for entry to any occupation that is experiencing a Skills Shortage
- 29.2 whether closure of the course is likely to create a Skills Shortage in an occupation because the Provider is the sole or dominant provider of the national skill base for that occupation
- 29.3 whether the course is a specialised course directed at the regional economy, and what impact closing the course may have on the skills base of that regional economy
- 29.4 whether the course is in an area of priority, for example in education, nursing and allied health, information technology and engineering
- 29.5 whether the course is listed in Table 1b(i), Table 1b(ii), Table 1b(iii), or Table 1c of Appendix 1, as a course in which students are enrolled in Commonwealth supported places
- 29.6 the proposed teach out provisions to ensure existing students can complete their chosen course of study.

30. If the Commonwealth has any concerns about the potential course closure based on the information provided under clause 29, the Commonwealth may enter into further discussions with the Provider to seek to reach a mutually agreeable arrangement with the Provider regarding the course closure. Consideration will be given to the:

- 30.1 student demand for the course
- 30.2 the financial viability of the course
- 30.3 the justification provided for a proposed course closure by the Provider
- 30.4 other relevant factors, and
- 30.5 the assistance provided by the Commonwealth to the Provider to explore options to retain the course, including through cooperation with another provider or the movement of Commonwealth supported places to another provider (where applicable).

31. The Commonwealth will not unreasonably require the continuation of the course if it would place an unreasonable financial burden on the Provider or place the Provider in a financially unviable position with regard to the Provider's overall financial status.

*Applicable law and jurisdiction*

32. The laws of the Australian Capital Territory apply to the interpretation of this agreement.

33. 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*

34. This agreement and the HESA record the entire agreement between the parties in relation to its subject matter. Any previous agreement covering the relevant Grant Years is terminated and replaced by this agreement on the date this agreement is made.
35. 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.
36. 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*

37. A party giving notice under this agreement must do so in writing or by Electronic Communication:
- 37.1 if given by the Provider, marked for the attention of the First Assistant Secretary of Policy, Payments and Data Division of the Department of Education or another person as notified in writing by the Commonwealth to the Provider; or
- 37.2 if given by the Commonwealth, marked for the attention of the Vice-Chancellor or other person as notified in writing by the Provider to the Commonwealth;
- 37.3 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  
Policy, Payments and Data Division  
Department of Education  
50 Marcus Clarke Street  
GPO Box 9880  
CANBERRA ACT 2601  
Email: [cgs@education.gov.au](mailto:cgs@education.gov.au)

The address for notices to the Provider is:

9th Floor  
Raymond Priestley Building  
PARKVILLE VIC 3010  
Email: [vc@unimelb.edu.au](mailto:vc@unimelb.edu.au)

38. A notice given under clause 37 is taken to be received:
- 38.1 if hand delivered, on delivery;
- 38.2 if sent by pre-paid post, 6 business days after the date of posting; or
- 38.3 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*

39. In this agreement including the 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;

**'Closing a Course'** or **'Closure'** means the cessation of intake of students to a course by the Provider without its immediate replacement by a course of study that leads to the same occupation or provides

a similar specialised skill and includes any suspension of intake of students for more than one consecutive academic year;

**‘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*;

**‘Equity Places’** refers to funding allocated to the provider for the purpose of increasing the number of persons from under-represented backgrounds undertaking courses of study in areas of skills shortage;

**‘Equity Plan’** refers to documents developed by the Provider detailing how the Provider will spend amounts equivalent to the funds estimated to be unspent from their ‘Base MBGA’ allocation, the provider’s MBGA for designated higher education courses and amounts for a provider for medical student loading in 2024 and 2025, for the purposes of supporting equity outcomes for under-represented groups;

**‘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;

**‘National Priority Places’** are a one-off allocation of places in courses commencing from 2021 and expiring by 2024;

**‘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.

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

- 40.1 words in the singular include the plural and vice versa;
- 40.2 clause headings or words in bold format are inserted for convenience only, and have no effect in limiting or extending the language of provisions;
- 40.3 all references to dollars are to Australian dollars;
- 40.4 unless stated otherwise, a reference to legislation is to legislation of the Commonwealth, as amended from time to time;
- 40.5 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;
- 40.6 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
- 40.7 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.

## Appendix 1

## HIGHER EDUCATION FUNDING 2024-2025

Table 1a. MBGA for 2024 and 2025 grant years for higher education courses

| Grant Year | Base MBGA     | Equity Places | NPS Places  | National Priority Places | Innovative Places | Total MBGA    |
|------------|---------------|---------------|-------------|--------------------------|-------------------|---------------|
| 2024       | \$259,639,978 | \$1,855,574   | \$1,046,865 | \$0                      | \$0               | \$262,542,417 |
| 2025       | \$272,494,136 | \$1,431,731   | \$2,079,871 | N/A                      | \$0               | \$276,005,738 |

## Maximum basic grant amount for higher education courses

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

| Campus         | Remoteness | 2024  | 2025  |
|----------------|------------|-------|-------|
| South Bank     | Metro low  | 1.00% | 1.00% |
| Parkville      | Metro low  | 1.00% | 1.00% |
| Richmond       | Metro low  | 1.00% | 1.00% |
| Dookie College | Regional   | 3.50% | 3.50% |

*Equity places*

- The MBGA for higher education courses includes funding for Equity Places as specified in Table 1a. The Provider may use up to \$1,684,441 of the funding allocated for Equity Places in 2024 and \$1,315,070 of the funding allocated for Equity Places in 2025 to deliver the approved courses shown in Table 1b(i) and Table 1b(ii). This funding allocation reflects the indicative funding amounts approved by the Minister for Education.
- The Provider may use up to \$171,133 of the funding allocated for Equity Places in 2024 and \$116,661 of the funding allocated for Equity Places in 2025 as specified in Table 1a to deliver 1 bachelor course in funding cluster 1 (item 1 in the table in section 30-15 of HESA).
- While funding is being allocated to providers within a funding envelope, there is a clear and unambiguous expectation that courses will be delivered as closely as possible in line with indicative funding parameters and that all Equity Places will be filled by people from educationally disadvantaged groups (including students from low SES backgrounds, students from inner regional, outer regional, remote and very remote areas, students who are first in family to study at university, First Nations students, and students with a disability).
- The Provider must comply with all reporting requirements for Equity Places as communicated by the Department.

Note: Allocated funding figures shown in Table 1b(i) and Table 1b(ii) indicate funding to be used for Equity Places commencing in 2023 and 2024. Quoted places are indicative only of commencing EFTSL implied by the allocated funding amounts.

NB: 2024 and 2025 funding amounts include pipeline funding for places that commenced in 2023 and 2024.

## Table 1b(i). Funding Cluster 3 Places and Approved Courses



| Priority Area   | 2023 Places                                                  | 2024 Places | 2024 Funding     | 2025 Funding     |
|-----------------|--------------------------------------------------------------|-------------|------------------|------------------|
| Nursing         | 0                                                            | 0           | \$0              | \$0              |
| Engineering     | 28                                                           | 21          | \$768,264        | \$599,792        |
| Other           | 7                                                            | 6           | \$205,785        | \$160,658        |
| <b>Total</b>    | <b>35</b>                                                    | <b>27</b>   | <b>\$974,049</b> | <b>\$760,450</b> |
| Course Type     | Course Name                                                  |             |                  |                  |
| Bachelor Degree | Bachelor of Science, Engineering Majors                      |             |                  |                  |
| Bachelor Degree | Bachelor of Biomedicine, Biomedical Engineering Major        |             |                  |                  |
| Bachelor Degree | Bachelor of Design, Engineering Major                        |             |                  |                  |
| Bachelor Degree | Bachelor of Biomedicine, Health & Biological Sciences Majors |             |                  |                  |
| Bachelor Degree | Bachelor of Biomedicine (Honours)                            |             |                  |                  |
| Bachelor Degree | Bachelor of Science, Natural & Physical Science Majors       |             |                  |                  |

**Table 1b(ii). Funding Cluster 2 Places and Approved Courses**

| Priority Area          | 2023 Places                                     | 2024 Places | 2024 Funding     | 2025 Funding     |
|------------------------|-------------------------------------------------|-------------|------------------|------------------|
| Education              | 0                                               | 0           | \$0              | \$0              |
| Information Technology | 31                                              | 24          | \$710,392        | \$554,620        |
| Health                 | 0                                               | 0           | \$0              | \$0              |
| Other                  | 0                                               | 0           | \$0              | \$0              |
| <b>Total</b>           | <b>31</b>                                       | <b>24</b>   | <b>\$710,392</b> | <b>\$554,620</b> |
| Course Type            | Course Name                                     |             |                  |                  |
| Bachelor Degree        | Bachelor of Science, IT and Data Science Majors |             |                  |                  |
| Bachelor Degree        | Bachelor of Design, Computing Major             |             |                  |                  |

**Table 1b(iii). Funding Cluster 1 Places and Approved Courses**

| Course Type     | Course Name                         |
|-----------------|-------------------------------------|
| Bachelor Degree | Bachelor of Arts - Psychology Major |

*Nuclear-Powered Submarine (NPS) places*

- The MBGA for higher education courses includes funding for NPS places as specified in Table 1a. The provider may use the funding allocated for NPS places in 2024 and 2025 to deliver the approved courses shown in Table 1c. This funding allocation reflects the indicative funding amounts approved by the Minister for Education.
- While funding is being allocated to providers within a funding envelope, there is a clear and unambiguous expectation that courses will be delivered as closely as possible in line with indicative funding parameters.
- The provider must comply with all reporting requirements for NPS places as communicated by the Department.

Note: Allocated funding figures shown in Table 1c for 2025 also include pipeline funding for places that commenced in 2024. Quoted places are indicative only of commencing EFTSL implied by the allocated funding amounts.

**Table 1c. Places and Approved Courses**

| <b>Funding Cluster</b> | <b>2024 Places</b>                                   | <b>2025 Places</b> | <b>2024 Funding</b> | <b>2025 Funding</b> |
|------------------------|------------------------------------------------------|--------------------|---------------------|---------------------|
| Funding Cluster 3      | 45                                                   | 50                 | \$823,140           | \$1,594,684         |
| Funding Cluster 2      | 15                                                   | 20                 | \$223,725           | \$485,188           |
| <b>Total</b>           | <b>60</b>                                            | <b>70</b>          | <b>\$1,046,865</b>  | <b>\$2,079,871</b>  |
| <b>Course Type</b>     | <b>Course Name</b>                                   |                    |                     |                     |
| Bachelor Degree        | Bachelor of Science - Physics Major                  |                    |                     |                     |
| Bachelor Degree        | Bachelor of Science - Chemistry Major                |                    |                     |                     |
| Bachelor Degree        | Bachelor of Science - Mathematics & Statistics Major |                    |                     |                     |

### *Equity Plan*

9. Providers will be required to have an Equity Plan to be eligible for future grants under the 'Higher Education Continuity Guarantee – Equity' program. The Equity Plan is a document (or series of documents) that outlines how providers will spend amounts equivalent to the funds estimated to be unspent from their eligible MBGA allocation in 2024 and 2025, for the purposes of supporting equity outcomes for under-represented groups.
10. For the purposes of any 'Higher Education Continuity Guarantee – Equity' grants, the MBGA components eligible for the guarantee are the base MBGA for higher education courses (as set out above), designated higher education courses of study and amounts for medical student loading. Note that the base MBGA for higher education courses excludes funding allocated for the delivery of National Priority Places, Equity Places (under the 20,000 additional CSPs initiative), Innovative Places, and the Nuclear-Powered Submarine Student Pathways.
11. Only providers that have an Equity Plan in place with the department at the time the CGS reconciliation is completed for the 2024 and 2025 grant years will be eligible to receive a future Higher Education Continuity Guarantee – Equity program grant that may be made under Part 2-3 of HESA.
12. Providers will be required to adhere to any departmental requests in relation to the preparation of Equity Plans.
13. Providers will also be required to provide information to the department in relation to their Equity Plans, which may include:
  - itemised information on the activities or initiatives to be funded, including amounts spent per item and the timing of the spending; and
  - data which may provide an indication of the impact of the proposed spending, particularly in relation to outcomes for disadvantaged or under-represented students.



**ENGAGEMENT BASE GRANTS 2024-2025****Indigenous, Regional and Low Socio-Economic Status Attainment Fund**

1. In 2024-2025, the Indigenous, Regional and Low Socio-Economic Status Attainment Fund (IRLSAF) consists of five components:
  - a) Higher Education Participation and Partnerships Program (HEPPP);
  - b) National Priorities Pool Program;
  - c) Regional Partnerships Project Pool Program;
  - d) Regional Loading Program (RLP); and
  - e) Enabling Loading Program (ELP).

**IRLSAF funding**

2. Grant amounts for the HEPPP, RLP and ELP in 2024-2025 are calculated using the method specified for the relevant component in Part 2 of the *Higher Education Support (Other Grants) Guidelines 2022* (see paragraph 41-30(a) of the Act) and are estimated in Table 2 below.
  - HEPPP funding for eligible providers is calculated using the formula specified at section 12 of Division 1 of Part 2 of the *Higher Education Support (Other Grants) Guidelines 2022*.
  - RLP funding for eligible providers is calculated using the formula specified at section 27 of Division 4 of Part 2 of the *Higher Education Support (Other Grants) Guidelines 2022*.
  - ELP funding for eligible providers is calculated using the formula specified at section 33 of Division 5 of Part 2 of the *Higher Education Support (Other Grants) Guidelines 2022*.

**Table 2: HEPPP, RLP and ELP funding**

| Program                                                 | 2024        | 2025        |
|---------------------------------------------------------|-------------|-------------|
| Higher Education Participation and Partnerships Program | \$1,829,949 | \$2,014,633 |
| Regional Loading Program                                | \$125,367   | TBA         |
| Enabling Loading Program                                | \$0         | N/A         |

3. The National Priorities Pool Program and Regional Partnerships Projects Pool Programs under IRLSAF, are subject to competitive grants processes and are therefore not included in above table. Any grants under these programs are allocated separately under a Conditions of Grant.

**HEPPP reporting requirements**

4. Universities are required to submit HEPPP reports and financial acquittals annually in the form and time specified by the Minister or Minister's delegate. Refinements to reporting templates and requirements are transitioning the HEPPP to a best practice approach for consistent data and reports. This is in context of the Student Equity in Higher Education Evaluation Framework. The Department will advise Providers directly of updated reporting templates and requirements once finalised.
5. Following amendments to the *Higher Education Support Act 2003*, universities' unspent HEPPP funds will rollover into a subsequent calendar year. Providers must continue to identify the amount carried forward as part of the annual HEPPP report for the relevant year.

**COURSE CLOSURE TEMPLATE**

| Course                                                                                                                                                                                                                              |             | Details     |             |             |             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|-------------|-------------|
| <b>Enrolment profile</b>                                                                                                                                                                                                            |             |             |             |             |             |
|                                                                                                                                                                                                                                     | <b>2020</b> | <b>2021</b> | <b>2022</b> | <b>2023</b> | <b>2024</b> |
| <b>CSP commencing load</b>                                                                                                                                                                                                          |             |             |             |             |             |
| <b>CSP total load</b>                                                                                                                                                                                                               |             |             |             |             |             |
| <b>Reason for closure</b>                                                                                                                                                                                                           |             |             |             |             |             |
| Does the course prepare students for entry to any occupation that is experiencing a Skills Shortage?<br>If so, how will the Provider address this issue?                                                                            |             |             |             |             |             |
| Is closing the course likely to create a Skills Shortage in an occupation because the Provider is the sole or dominant provider of the national skill base for that occupation?<br>If so, how will the Provider address this issue? |             |             |             |             |             |
| Is the course a specialised course directed at the regional economy?<br>What impact is closing the course likely to have on the skills base of that regional economy?<br>How will the Provider address this issue?                  |             |             |             |             |             |
| Is the course in an area of priority for example in education, nursing and allied health, information technology and engineering?<br>How will the Provider address this issue?                                                      |             |             |             |             |             |
| Is the course listed in <u>Table 1b(i)</u> , <u>Table 1b(ii)</u> , <u>Table 1b(iii)</u> , or Table 1c of Appendix 1 in which students are enrolled in Commonwealth supported places?<br>How will the Provider address this issue?   |             |             |             |             |             |
| Outline the teach out provisions to ensure existing students can complete their chosen course of study                                                                                                                              |             |             |             |             |             |

## PART II – 2026 Grant Years

### BACKGROUND AND DESCRIPTION OF COMMONWEALTH FUNDING

The Commonwealth of Australia will provide funding for 2026 under the broad streams below, as administered by the Department of Education (Department), subject to relevant HESA provisions, the conditions of this Part, 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. Core Commonwealth Funding for Teaching and Learning

##### Commonwealth Grant Scheme

In accordance with Division 33 of HESA and as set out in Section A of this Part, the Provider will receive a total basic grant amount (TBGA) in Commonwealth Grant Scheme under Part 2-2 of HESA, which is an amount up to the sum of the Provider's:

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

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*.

Following the passage of the *Education Legislation Amendment (Integrity and Other Measures) Bill 2025*, from 1 January 2026 the Government is uncapping CSPs for Indigenous medical students to grow the number of Indigenous doctors. Each higher education provider's allocation of designated medical CSPs for 2026 has been adjusted based on the number of Indigenous medical students it has historically enrolled. A 5-year Medical Student Transitional Floor is also being introduced from 2026 to ensure that fluctuations in Indigenous medical enrolments do not result in a decrease in total funded medical places. As a result of this Transitional Floor, the allocation of designated medical CSPs for the 2026 Grant Year will be based on a formula to allow providers to manage their enrolments without requiring approval from Government.

##### Managed Growth Funding System

Subject to passage of legislation, the Commonwealth will begin transitioning to the Managed Growth Funding System (MGFS) for Commonwealth supported places in 2026. The MGFS will align Commonwealth funding more closely with student demand. During the 2026 transition year, MBGAs for providers for higher education courses will be determined based on 2024 verified student demand data, and additional funding will be provided to higher education providers through the provision of Transition Fund Loading calculated in accordance with the *Commonwealth Grant Scheme Guidelines 2020*, and through the provision of a Transition Funding Floor Guarantee grant under Part 2-3 of HESA and calculated in accordance with the *Higher Education Support (Other Grants) Guidelines 2022*.

- Providers with significantly lower enrolments in 2024 compared to their 2024 MBGA for higher education courses (HEC MBGA) will have their 2026 HEC MBGA maintained in nominal terms.

- Providers with 2024 enrolments close to or more than their 2024 HEC MBGA will receive additional HEC MBGA compared to 2025.
- A transitional funding floor will guarantee Table A universities receive at least their 2025 CGS payments, and a one-off Transition Fund Loading will ensure total teaching and learning funding is not lower than 2025 levels.

### Need-based Funding

Subject to passage of legislation, from 1 January 2026, the Commonwealth will provide grants under the Needs-based Funding program to provide additional per-student funding contributions to support students from underrepresented backgrounds (such as students from low socio-economic status (SES) backgrounds and First Nations students) and support the higher costs of regional and remote higher education delivery. Funding will be implemented as a grant program under the *Higher Education Support (Other Grants) Guidelines 2022* (made under Part 2-3 of HESA) in 2026 as a transition arrangement, ahead of the intended implementation of demand driven funding through HESA from 1 January 2027 (subject to passage of legislation).

The Needs-based Funding program in 2026 will provide more funding to support students from low SES backgrounds; First Nations students and students studying at regional campuses to participate and succeed in higher education.

- In 2026, funding will be based on 2024 verified student data and be determined by a formula based on the volume of Commonwealth supported students enrolled in 2024 from low SES backgrounds and First Nations students (equity component), and students studying at a regional or remote campus (regional component).
  - Providers will be able to use the equity component to deliver programs, services, facilities or initiatives that support the access, participation, success, and completion of higher education from students from low SES backgrounds and First Nations students.
  - Regional funding is designed to offset the higher costs of operating in regional and remote areas and support high-quality, accessible higher education in regional and remote Australia.

### 2. *Research block grants*

The Research Block Grants are calculated in accordance with Parts 2-3 (Other grants) and 2-4 (Commonwealth scholarships) of HESA and comprise of 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 *Higher Education Support (Commonwealth Scholarships) Guidelines 2025*.
- 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 allocated to eligible providers in accordance with the *Higher Education Support (Commonwealth Scholarships) Guidelines 2025* and *Other Grants Guidelines (Research) 2017*. Grant conditions are set out in the Guidelines. Unspent RTP or RSP grant year amounts will be automatically rolled over into the following grant year, unless specified by the Secretary.

### 3. *Other Grants*

There are a number of grants available to eligible providers that will be established as programs under the *Higher Education Support (Other Grants) Guidelines 2022*:

- Structural Adjustment Fund to assist Table A providers' transition to longer term sustainability under the new Managed Growth funding arrangements (subject to amendments to the above Guidelines).

- Outreach Funding program to increase the number of people from underrepresented backgrounds accessing higher education by delivering outreach initiatives to widen and enable higher education aspiration and promote higher education to persons from a low socioeconomic background, persons from regional and remote areas and Indigenous persons.
- The National Institutes Grant Program provides funding to ensure the financial viability of the Victorian College of the Arts so that it can maintain its high standards in arts training and research and open up the campus to the wider community.

Conditions applying to the relevant program are set out in the *Higher Education Support (Other Grants) Guidelines 2022* and the conditions of grant (if any) made by the Minister. Grants under the relevant program will be made to eligible providers under the *Higher Education Support (Other Grants) Guidelines 2022*.

The Provider may also receive other grants for ad hoc programs or projects under Part 2-3 (Other grants) of HESA. Conditions applying to these grants are set out in the *Higher Education Support (Other Grants) Guidelines 2022* 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. 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 *Higher Education Support (Other Grants) Guidelines 2022*, the *Other Grants Guidelines (Research) 2017* or the *Higher Education Support (Commonwealth Scholarships) Guidelines 2025*. 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                                                                                                                                             | 2026                    |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
| <b>1. Teaching</b>                                                                                                                                  |                         |
| Higher education courses (MBGA funding envelope)                                                                                                    | \$283,184,150           |
| <i>Additional amounts for RUSHs (included in the Provider's MBGA for higher education courses shown above)</i>                                      | \$TBA                   |
| <i>Additional amounts for Equity Places (included in the Provider's MBGA for higher education courses shown above)<sup>1</sup></i>                  | \$1,083,118             |
| <i>Additional amounts for Innovative Places (included in the Provider's MBGA for higher education courses shown above)</i>                          | \$0                     |
| <i>Additional amounts for Nuclear-Powered Submarine Places (included in the Provider's MBGA for higher education courses shown above)</i>           | \$3,067,050             |
| MBGA for designated higher education courses (medicine)                                                                                             | \$31,914,000            |
| Any funding for demand driven higher education courses <sup>2</sup><br>(amounts to be paid based on actual student enrolments)                      | Will be paid on actuals |
| Any funding for demand driven higher education courses of study in medicine <sup>2</sup><br>(amounts to be paid based on actual student enrolments) | Will be paid on actuals |
| Medical Student Loading                                                                                                                             | \$TBA                   |
| Needs-based Funding amounts                                                                                                                         | \$TBA                   |



|                            |              |
|----------------------------|--------------|
| <b>2. Research</b>         |              |
| Research Training Program  | \$TBA        |
| Research Support Program   | \$TBA        |
| <b>3. Other</b>            |              |
| Structural Adjustment Fund | \$TBA        |
| Outreach Funding Program   | \$TBA        |
| National Institutes Grant  | \$7,138,000  |
| <b>Total</b>               | <b>\$TBA</b> |

**NOTES:**

- Details on how Equity Places funding is to be spent are at Appendix 4.
- The demand driven advance payments are based on estimates provided by universities and will be reconciled against data verified by the provider for the relevant year and cleared by the Department.

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

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

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

41. The Commonwealth will pay to the Provider the CGS funding amount for the 2026 grant year, calculated in accordance with Division 33 of HESA.
42. The Commonwealth will notify the Provider before the start of the relevant Grant Year covered by this Part 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:
  - 42.1 higher education courses;
  - 42.2 designated higher education courses; and
  - 42.3 demand driven higher education courses.
43. Amounts payable as CGS advances may be adjusted throughout the relevant Grant Year based on information provided to the Commonwealth by the Provider.
44. 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 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.

#### *Estimates of Commonwealth supported places*

45. 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*

46. 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.

### **Higher education courses**

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

47. 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 Part, are set out in Table 1a of Appendix 4. Appendix 4 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*

48. 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.
49. 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.
50. 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.

51. 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.

### Designated higher education courses

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

52. The maximum basic grant amounts for designated higher education courses, specified for the purposes of paragraph 30-27(1)(b) of HESA, for the Grant Years covered by this Part, are set out in Table 2.

#### *Allocation of Commonwealth supported places for designated higher education courses in medicine*

53. The total number of Commonwealth supported places for designated higher education courses in medicine allocated to the Provider under paragraph 30-10(1)(a), and for the purposes of subparagraphs 30-25(3)(a)(iii) and 30-25(3)(c) of HESA for the 2026 Grant Year, is determined by the following formula:

$$\text{Designated Commonwealth supported places} = x - \text{lesser of } (y \text{ and } z)$$

$x$  = the number of Commonwealth supported places specified in Column 1 in Table 2 below.

$y$  = the Adjustment Rate specified in Column 2 in Table 2 below. This is the value by which allocations of Commonwealth supported places for designated higher education courses in medicine were adjusted for the 2026 Grant Year to account for Indigenous students moving to demand driven higher education courses. The Adjustment Rate was based on the load of Indigenous students enrolled in 2024, and discounted for Providers where the proportion of Indigenous students exceeded population parity for 15-34 year olds (as derived from the 2021 Census and reported by the Australian Bureau of Statistics).

$z$  = the number of Commonwealth supported places provided in 2026 in relation to demand driven higher education courses undertaken by Indigenous persons for courses of study in medicine, as determined under item 4 in the table in subsection 33-30(3) of HESA.

54. Managing designated CSPs according to this formula enables Providers to offer additional Commonwealth supported places for designated higher education courses to non-Indigenous students if the number of Indigenous persons enrolled in demand driven higher education courses in medicine is less than the Adjustment Rate (specified in column 2 in Table 2 below). This Medical Student Transitional Floor will apply to each Grant Year from 2026 to 2030. The formula will be used during the reconciliation process to determine the Provider's final Maximum Basic Grant Amount for designated higher education courses in medicine.
55. The allocation of Commonwealth supported places for designated higher education courses in medicine does not include Commonwealth supported places for Indigenous persons undertaking higher education courses of study in medicine during the relevant Grant Year. This is because courses of study in medicine that are undertaken by Indigenous persons are demand driven higher education courses (see the definition of 'demand driven higher education course' in HESA). Paragraph 30-12(1)(a) of HESA makes clear that a course of study in medicine that is a demand driven higher education course, cannot be a designated higher education course.
56. Of the number of Commonwealth supported places in medicine allocated to the Provider under clause 52, the Provider must deliver 120 EFTSL in 2026 at the Shepparton site.
57. The number of domestic annual completions for non-Indigenous persons in the Provider's designated higher education courses in medicine in 2026 is outlined in Table 2. The Provider must not change its designated higher education course or courses in medicine in ways that will change the number of domestic annual completions for the course or courses.
58. The Provider must not admit more than 45 commencing domestic full-fee paying students to its course or courses of study in medicine. Exceptions will include:

58.1 where the provider reasonably expects a person will be an overseas student at the time of providing the person with an offer to study in a postgraduate course in medicine.

58.2 where a person notifies an appropriate officer of the Provider that they do not wish to be a Commonwealth supported student.

**Table 2: Allocation of Commonwealth supported places for designated higher education courses in medicine.**

| Grant Year | Column 1                                                                                                                                              | Column 2                                                                                                                                                            | Column 3                                                          | Column 4                                                 |
|------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|----------------------------------------------------------|
|            | Number of Commonwealth supported places (i.e. $x$ in the formula for allocating Commonwealth supported places in designated higher education courses) | The Adjustment Rate for Commonwealth supported places (i.e. $y$ in the formula for allocating Commonwealth supported places in designated higher education courses) | Maximum number of non-Indigenous domestic completions in medicine | MBGA for designated higher education courses in medicine |
| 2026       | 985                                                                                                                                                   | 29                                                                                                                                                                  | 284                                                               | \$31,914,000                                             |

#### *Bonded Medical Program*

59. The total number of Commonwealth supported places for higher education courses in medicine includes the number of Bonded Medical Places (BMP) Scheme, Medical Rural Bonded Scholarship (MRBS) Scheme and the reformed Bonded Medical Program (commencing 1 January 2020) places.

59.1 From 1 January 2020, the Provider must allocate 28.5 per cent of all commencing Commonwealth supported places for higher education courses in medicine to Bonded Medical Program students for the calendar year. Commencing with the 2020 intake, the number of Bonded Medical Program places may be averaged over a period of three consecutive calendar years to calculate 28.5 per cent.

59.2 From 1 January 2020, the bonded places provided under the Bonded Medical Program must be used for Bonded Medical Program students only. Non-bonded and fee-paying places must not be used for bonded students.

59.3 The BMP Scheme ceased from 1 January 2020. The bonded places previously provided under the BMP and MRBS Schemes must continue to be used for BMP and MRBS students until they complete their higher education course in medicine.

59.4 The MRBS Scheme places, which ceased in 2015, are separate from the BMP Scheme places. Students who were granted a MRBS Scheme place and are currently undertaking a higher education course in medicine cannot be counted towards the BMP Scheme's 28.5 per cent requirement.

59.5 The Provider must comply with the Conditions for Universities for Administering Bonded Medical Programs dated November 2025 issued by the Department of Health, Disability and Ageing, available from: <https://www.health.gov.au/our-work/bonded-medical-program>.

## SECTION B: Other conditions and requirements

### *Provision of university offers to at-school students*

60. Higher Education Providers are responsible for their admission policies and procedures, consistent with the Higher Education Standards Framework (Threshold Standards) 2021. The provider's admission practices must ensure that students admitted are capable of succeeding academically, with appropriate support as required. The provider's admissions policies and practices must be evidence-based, transparent and publicly defensible.
61. Offers made to at-school students must respect and support the integrity of the successful completion of senior secondary education and must be conditional on the successful completion of the Senior Secondary Certificate of Education (or equivalent).
62. This section does not apply to students who will be enrolled on a non-award basis or students who will be enrolled in enabling courses.
63. The higher education provider:
  - 63.1 must not extend offers to Year 11 students;
  - 63.2 must not extend offers to at-school students in Year 12 prior to September 2026 for the 2027 academic year.

### *Clinical placements and practicums*

64. 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.
65. 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*

66. 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 or approved educational facilities listed below in Table 3.
67. Similarly, if the Provider proposes to close a campus where Commonwealth supported students are enrolled, the Provider must obtain the Commonwealth's prior written approval.

**Table 3: Provider's campuses**

| Name of campus and facility | Type   |
|-----------------------------|--------|
| Burnley                     | Campus |
| Creswick                    | Campus |
| Dookie                      | Campus |
| Parkville                   | Campus |
| Southbank                   | Campus |

### *Closures of courses*

68. The meaning of 'Closing a Course' or 'Closure' is provided in the Interpretation section.
69. Before closing any undergraduate and postgraduate courses of study in which Commonwealth supported students have been enrolled for more than two years (including a major within a course of study), the Provider must notify the Commonwealth of its plans in writing. Notification of actual or potential closures should occur as soon as reasonably possible before final decisions to close courses are made, or before any information on the potential course closure is made public (whichever comes first).
70. The Provider's notice to the Commonwealth must include the following information:
  - 70.1 the justification for the course closure/s
  - 70.2 a list of the courses proposed for closure
  - 70.3 the consultation undertaken with staff, students, the community and other stakeholders and any future consultation processes that may be planned before a final decision to close the course is made
  - 70.4 the expected high-level impacts on staff and students arising from the closures, including numbers of students and staff affected
  - 70.5 the alternative options available for students if the course is in an area of priority, for example in education, nursing and allied health, information technology and engineering
  - 70.6 whether the course is listed in Table 1b(i), Table 1b(ii), Table 1b(iii) or Table 1c of Appendix 4, as a course in which students are enrolled in Commonwealth supported places (these relate to 20K and NPS course allocations)
  - 70.7 how the provider is meeting relevant requirements under the Higher Education Standards Framework (Threshold Standards) 2021, including the proposed teach out provisions to ensure existing students can complete their chosen course of study
  - 70.8 if the Provider is the sole or dominant provider of the national skill base for that occupation.
71. If the Commonwealth has any concerns about the potential course closure based on the information provided in the Provider's notice to the Commonwealth, the Provider must engage with any discussions that the Commonwealth may seek to have, to reach a mutually agreeable arrangement with the Provider regarding the course closure. Consideration will be given to the:
  - 71.1 student demand for the course
  - 71.2 the financial viability of the course
  - 71.3 the justification provided for a proposed course closure by the Provider
  - 71.4 whether the course prepares students for entry to any occupation that is experiencing a Skills Shortage
  - 71.5 whether closure of the course is likely to create a Skills Shortage in an occupation
  - 71.6 whether the course is a specialised course directed at the regional economy, and what impact closing the course may have on the skills base of that regional economy
  - 71.7 the assistance provided by the Commonwealth to the Provider to explore options to retain the course, including through cooperation with another provider or the movement of Commonwealth supported places to another provider (where applicable), and other relevant factors.
72. The Commonwealth will not unreasonably require the continuation of the course if it would place an unreasonable financial burden on the Provider or place the Provider in a financially unviable position with regard to the Provider's overall financial status.

### *Applicable law and jurisdiction*

73. The laws of the Australian Capital Territory apply to the interpretation of this Part.
74. 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*

75. This Part of the agreement and HESA record the entire agreement between the parties in relation to its subject matter. Any previous agreement covering the relevant Grant Years is terminated and replaced by this Part of the agreement on the date this agreement is made.
76. Except for action the Commonwealth is expressly authorised or required to take elsewhere in this Part of the agreement or HESA, no variation of this Part of the agreement is binding unless it is agreed in writing and signed by the parties.
77. If a court or tribunal says any provision of this Part of the 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*

78. A party giving notice under this Part must do so in writing or by Electronic Communication:
- 78.1 if given by the Provider, marked for the attention of the First Assistant Secretary of the Policy, Payments and Data Division of the Department of Education or another person as notified in writing by the Commonwealth to the Provider; or
- 78.2 if given by the Commonwealth, marked for the attention of the Vice-Chancellor 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  
Policy, Payments and Data Division  
Department of Education  
50 Marcus Clarke Street  
GPO Box 9880  
CANBERRA ACT 2601  
Email: [cgs@education.gov.au](mailto:cgs@education.gov.au)

The address for notices to the Provider is:

9th Floor  
Raymond Priestley Building  
PARKVILLE VIC 3010  
Email: [vc@unimelb.edu.au](mailto:vc@unimelb.edu.au)

79. A notice is taken to be received:
- 79.1 if hand delivered, on delivery;
- 79.2 if sent by pre-paid post, 6 business days after the date of posting; or
- 79.3 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*

80. In this Part including the 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;

**‘Closing a Course’** or **‘Closure’** means the cessation of intake of students to a course by the Provider without its immediate replacement by a course of study that leads to the same occupation or provides a similar specialised skill and includes any suspension of intake of students for more than one consecutive academic year;

**‘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*;

**‘Equity Places’** refers to funding allocated to the provider for the purpose of increasing the number of persons from under-represented backgrounds undertaking courses of study in areas of skills shortage;

**‘Equity Plan’** refers to documents developed by the Provider detailing how the Provider will spend amounts equivalent to the funds estimated to be unspent from their ‘Base MBGA’ allocation, the provider’s MBGA for designated higher education courses and amounts for a provider for medical student loading in 2024 and 2025, for the purposes of supporting equity outcomes for under-represented groups;

**‘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;

**‘National Priority Places’** are a one-off allocation of places in courses commencing from 2021 and expiring by 2024;

**‘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.



81. In this Part, unless the contrary intention appears:

- 81.1 words in the singular include the plural and vice versa;
- 81.2 clause headings or words in bold format are inserted for convenience only, and have no effect in limiting or extending the language of provisions;
- 81.3 all references to dollars are to Australian dollars;
- 81.4 unless stated otherwise, a reference to legislation is to legislation of the Commonwealth, as amended from time to time;
- 81.5 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;
- 81.6 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
- 81.7 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.

**HIGHER EDUCATION FUNDING 2026****Table 1a. MBGA for 2026 grant years for higher education courses**

| Grant Year | Base MBGA     | Equity Places | NPS Places  | Innovative Places | Total MBGA    |
|------------|---------------|---------------|-------------|-------------------|---------------|
| 2026       | \$279,033,982 | \$1,083,118   | \$3,067,050 | \$0               | \$283,184,150 |

**Maximum basic grant amount for higher education courses (HEC MBGA)**

- The maximum basic grant amount for higher education courses (HEC MBGA) in 2026 is calculated using 2024 verified enrolment data. If, in relation to the provider's reported 2024 data:
  - a provider significantly underenrolled students compared to their MBGA, the provider will not receive an increase.
  - a provider enrolled near to or above their MBGA, the provider will receive indexation based on Part-5-6 of HESA
  - a provider that was significantly over-enrolled may also be eligible to receive a share of the over-enrolment fund.
- The HEC MBGA in 2026 also includes any Commonwealth supported places in FEE-FREE Uni Ready (FFUR) courses allocated to the provider in 2026 as agreed by the Minister. The Provider must comply with all reporting requirements for FFUR places as communicated by the Department.
- Consistent with section 30-27(3)(b), the HEC MBGA is 2026 no less than the HEC MBGA in 2025.

*Equity places*

- The MBGA for higher education courses includes funding for Equity Places as specified in Table 1a. The Provider may use up to \$TBA of the funding allocated for Equity Places in 2026 to deliver the approved courses shown in Table 1b(i) and Table 1b(ii). This funding allocation reflects the indicative funding amounts approved by the Minister for Education.
- The Provider may use up to \$TBA of the funding allocated for Equity Places in 2026 as specified in Table 1a to deliver 4 bachelor courses in funding cluster 1 (item 1 in the table in section 30-15 of HESA).
- While funding is being allocated to providers within a funding envelope, there is a clear and unambiguous expectation that courses will be delivered as closely as possible in line with indicative funding parameters and that all Equity Places will be filled by people from educationally disadvantaged groups (including students from low SES backgrounds, students from inner regional, outer regional, remote and very remote areas, students who are first in family to study at university, First Nations students, and students with a disability).
- The Provider must comply with all reporting requirements for Equity Places as communicated by the Department.

**Note:**

- Allocated funding figures shown in Table 1b(i) and Table 1b(ii) indicate funding to be used for Equity Places commencing in 2023 and 2024. Quoted places are indicative only of commencing EFTSL implied by the allocated funding amounts.
- 2026 funding amounts include pipeline funding for places that commenced in 2023 and 2024.

**Table 1b(i). Funding Cluster 3 Places and Approved Courses**

| Priority Area   | 2026 Places                                                  | 2026 Funding |
|-----------------|--------------------------------------------------------------|--------------|
| Nursing         | TBC                                                          | TBC          |
| Engineering     | TBC                                                          | TBC          |
| Other           | TBC                                                          | TBC          |
| <b>Total</b>    | TBC                                                          | TBC          |
| Course type     | Course Name                                                  |              |
| Bachelor Degree | Bachelor of Science, Engineering Majors                      |              |
| Bachelor Degree | Bachelor of Biomedicine, Biomedical Engineering Major        |              |
| Bachelor Degree | Bachelor of Design, Engineering Major                        |              |
| Bachelor Degree | Bachelor of Biomedicine, Health & Biological Sciences Majors |              |
| Bachelor Degree | Bachelor of Biomedicine (Honours)                            |              |
| Bachelor Degree | Bachelor of Science, Natural & Physical Science Majors       |              |

**Table 1b(ii). Funding Cluster 2 Places and Approved Courses**

| Priority Area          | 2026 Places                                     | 2026 Funding |
|------------------------|-------------------------------------------------|--------------|
| Education              | TBC                                             | TBC          |
| Information Technology | TBC                                             | TBC          |
| Health                 | TBC                                             | TBC          |
| Other                  | TBC                                             | TBC          |
| <b>Total</b>           | TBC                                             | TBC          |
| Course type            | Course Name                                     |              |
| Bachelor Degree        | Bachelor of Science, IT and Data Science Majors |              |
| Bachelor Degree        | Bachelor of Design, Computing Major             |              |

**Table 1b(iii). Funding Cluster 1 Places and Approved Courses**

| Course Type     | Course Name                         |
|-----------------|-------------------------------------|
| Bachelor Degree | Bachelor of Arts - Psychology Major |

*Nuclear-Powered Submarine (NPS) places*

8. The MBGA for higher education courses includes funding for NPS places as specified in Table 1a. The provider may use the funding allocated for NPS places in 2026 to deliver the approved courses shown in Table 1c. This funding allocation reflects the indicative funding amounts approved by the Minister for Education.
9. While funding is being allocated to providers within a funding envelope, there is a clear and unambiguous expectation that courses will be delivered as closely as possible in line with indicative funding parameters.
10. The provider must comply with all reporting requirements for NPS places as communicated by the Department.

Note: Allocated funding figures shown in Table 1c for 2026 also include pipeline funding for places that commenced in 2024 and 2025. Quoted places are indicative only of commencing EFTSL implied by the allocated funding amounts.

**Table 1c. Places and Approved Courses**

| <b>Funding Cluster</b> | <b>2026 Places</b>                                   | <b>2026 Funding</b> |
|------------------------|------------------------------------------------------|---------------------|
| Funding Cluster 3      | TBC                                                  | TBC                 |
| Funding Cluster 2      | TBC                                                  | TBC                 |
| <b>Total</b>           | <b>TBC</b>                                           | <b>TBC</b>          |
| <b>Course Type</b>     | <b>Course Name</b>                                   |                     |
| Bachelor Degree        | Bachelor of Science - Physics Major                  |                     |
| Bachelor Degree        | Bachelor of Science - Chemistry Major                |                     |
| Bachelor Degree        | Bachelor of Science - Mathematics & Statistics Major |                     |