



The Hon Kate Ellis MP
Minister for Youth
Minister for Sport



Senator Nick Xenophon
Senator for South Australia
Suite S1.56
Parliament House
CANBERRA ACT 2600

Nick

Dear Senator Xenophon

I write to confirm details of the Government's proposal to monitor compliance with the student services and amenities fee provisions of the Higher Education Legislation Amendment (Student Services and Amenities, and Other Measures) Bill 2009.

Details of our proposal are attached. I will also ensure that information on fee revenue and expenditure is included in the annual publication of the financial reports of higher education providers that the Department of Education, Employment and Workplace Relations produces in September each year.

I would appreciate your early advice if you agree to these arrangements. I will ensure that the Government makes it clear during the Senate debate on the Bill that we have agreed to these arrangements as a condition of your support for the Bill.

Thank you for your assistance in this matter. Should you require any further information, please do not hesitate to contact my office.

Yours sincerely

Kate Ellis

Monitoring compliance with the proposed student services and amenities fee provisions of the *Higher Education Support Act 2003* and guidelines arising from the Higher Education Legislation Amendment (Student Services and Amenities, and Other Measures) Bill 2009

Background

The proposed provisions on student services and amenities fees (amendments to section 19-37 and new section 19-38) will be part of the 'quality and accountability requirements' in the *Higher Education Support Act 2003*.

Section 22-15 of the Act empowers the Minister to revoke a body's approval as a higher education provider if the Minister is satisfied that the body has breached a quality and accountability requirement and that it is appropriate to revoke the approval.

Section 54-1 of the Act empowers the Minister to determine that a grant to be made to a provider is to be reduced or an amount granted is to be repaid if the provider has breached a condition of a grant and the Minister considers it appropriate to take that action. Compliance with the quality and accountability requirements is a condition of all grants to higher education providers under the Act.

In both cases, the Act sets out matters which the Minister may consider and the process to be followed (including allowing the provider to make a submission on why the action should not be taken and considering that submission).

Monitoring determination of fees

Under proposed subsection 19-37(6), a higher education provider that determines a fee must publish 'enough information to enable a person liable to pay the fee to work out the amount of the fee'. The Student Services and Amenities Fee Guidelines will specify the dates by which the publication must occur.

The Department of Education, Employment and Workplace Relations (DEEWR) will monitor each provider's published information to ensure that the publication meets the requirements and that the fees that are determined do not exceed the maximum specified in proposed subsection 19-37(5).

Monitoring fees and expenditure of fee revenue

Each higher education provider is required under section 19-10 of the *Higher Education Support Act 2003* to provide an annual financial statement in a form approved by the Minister and a report on the statement by an independent qualified auditor (the relevant Auditor-General for public universities).

The financial statement guidelines issued by the Minister's delegate set out the form of the financial statement that is required. The guidelines will include new requirements for each higher education provider to report the amount of revenue from the student services and amenities fee and the expenditure of that revenue (in

aggregate) on the purposes that are specified in the Student Services and Amenities Fee Guidelines and any expenditure of that revenue on purposes not in accordance with those Guidelines.

For students who choose to take out an SA-HELP loan for their student services and amenities fees, a higher education provider will be required to report to DEEWR the amount of the fee charged and the amount loaned.

In addition, each higher education provider will be required to provide an annual compliance certificate, signed by the Vice-Chancellor/CEO along the lines of:

XYZ University charged student services and amenities fees strictly in accordance with the *Higher Education Support Act 2003* and the Student Services and Amenities Fee Guidelines made under the Act and the revenue from the fee was spent strictly in accordance with the Act and Guidelines and only on services and amenities in the following categories as specified in the guidelines (with a tick list of the various categories).