

Needs-based Funding

Responses to questions raised in the *Student Equity Post-election: Priorities, Possibilities, Policy Webinar* - 29 July 2025

When will more information about Needs-based Funding and Outreach Funding be available?

- The interim ATEC has commenced engaging with Vice-Chancellors, university planners and peak bodies to provide further information regarding funding arrangements for 2026.
- Further guidance to support provider's use of Needs-based Funding and Outreach Funding in 2026, including amendments to the *Higher Education Support (Other Grants) Guidelines 2022*, will be available in coming months.

When will universities be provided with their Needs-based Funding allocations for 2026?

- The ATEC will provide a calculator in coming weeks which will allow universities to use their student data to approximate their 2026 Needs-based Funding allocation.
- Final allocations for 2026 will be provided following the release of verified 2024 student data, anticipated for November 2025.

Why are students with disability not included in Needs-based Funding?

- Responding to strong feedback from higher education disability experts and advocates, the Australian Government recognises that there is significant work to be done on data reform, definitions, and eligibility, as well as improvements to institutional and sector capability and disability governance before a decision can be made about including disability in any future expansion of Needs-based funding.
- Recognising the urgent need for greater investment to support outcomes for students with disability, the Government has quadrupled the Higher Education Disability Support Fund, increasing funding by approximately \$40 million per year (indexed). The Australian Government also expanded the range of activities eligible for funding through the Disability Support Fund. These changes will help universities to deliver more programs and services that empower students with disability to access, participate and succeed in higher education.
- The ATEC will also work with providers to strengthen disability governance, transparency and accountability, identify and promote good practice in compliance, support and accommodations, and encourage institutional cultures of inclusion, leading to better experiences and outcomes for students with disability in higher education.

Will international students attract Needs-based Funding?

- Only students enrolled in a Commonwealth Supported Place (CSP) will attract Needs-based Funding.

How can universities engage in consultation regarding Needs-based Funding?

- The Interim ATEC will engage with the sector regarding design and implementation of Needs-based Funding arrangements for 2027 onwards, including through key stakeholder groups such as the Equity Practitioners in Higher Education Association (EPHEA).
- Please contact equity@atec.gov.au if you have any information or ideas which may be relevant to this process.

How will the Framework of Equity Support Activities be developed?

- The Framework of Equity Support Activities will be developed as a comprehensive guide to best practice approaches for supporting underrepresented students to access, participate in and complete their studies. The intention is for the Framework to support implementation of new Needs-based Funding, ensuring the funding is used effectively to support stronger student outcomes.
- The Framework will be developed in collaboration with the sector to ensure it is fit-for-purpose and leverages the skills and knowledge of equity practitioners. More information will be available in due course regarding opportunities to engage in this process.

Will students registered at a University Study Hub attract Needs-based Funding?

- Eligible Commonwealth supported students registered at a University Study Hub will be eligible to attract Needs-based Funding.
- For the **regional component** of Needs-based Funding, external (online) students, including those studying with the support of a University Study Hub, will attract half the applicable contribution amount as long as their provider's main campus (i.e. with the highest student load) is in a regional area.
- For the **equity component**, contribution amounts do not differ based on study mode.

Can Needs-based Funding be used to fund systemic changes to teaching and learning?

- Providers will have relative flexibility on what supports the equity component of Needs-based Funding can be spent on.
- It is intended that funding can be used to implement systemic changes to teaching and learning, where those changes are for the direct benefit of eligible cohorts (First Nations students and students from low-SES backgrounds).
- Examples of support may include:
 - **academic and inclusion supports** such as mentoring and peer learning
 - **inclusive course design/pedagogies** and professional development of staff
 - **orientation** programs and first year **transition** programs



- **First Nations** centres and supports
- **direct financial supports** to students, including scholarships and bursaries.

What measure of low-socioeconomic status (SES) will be used for Needs-based Funding?

- For the purposes of Needs-based Funding in 2026, **low socio-economic background** refers to a person whose first residential address is in the lowest quartile by SA1 of the *2021 SEIFA Index of Education and Occupation*.

How will the government ensure Needs-based Funding is being used to support students in need?

- For 2026, providers will be required to report on their use of Needs-based Funding, similar to existing arrangements under the Higher Education Participation and Partnerships Program (HEPPP). As part of this reporting, providers will be required to demonstrate how they Further information regarding reporting requirement will be provided in coming months.
- From 2027, reporting processes will focus on equity outcomes, with key equity targets to be identified and measured through Mission-based Compacts. More information regarding Mission-based Compacts, including opportunities to support their design and development, will be available soon.
- Consideration is also being given to how governance can be embedded in provider's use of Needs-based Funding, ensuring expenditure of funding is transparent and the right students have access to the right supports.

How will equity performance be measured in enhanced Mission-based Compacts? Will this take into account other equity cohorts (e.g. carers, asylum seekers, etc)?

- Design of the enhanced Mission-based Compacts process is currently underway, with further information to be available in due course.
- Mission-based compacts will align the sector's contributions with national priorities, have a sharper focus on data and transparency, and will enable universities to demonstrate their attainment of both national and institutional goals.
- Mission-based compacts will include consideration of a provider's mission, purpose and strategy, their domestic and international student profile, their performance objectives and their change priorities.

