



## VC-NET

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in membership of the  
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### **Goodbye to the block grant**

Receiving funds through a block grant has always been one of the key indicators of institutional autonomy, since it allows the institution the freedom, when making its internal resource allocations, to ignore the formulae and methods used by the funding body in accumulating the total grant.

This freedom is now disappearing in Australia with a new system of "Commonwealth Course Contributions". Using the interesting argument that the new approach will "encourage greater flexibility and diversity", the Government will now provide twelve levels of contributions per student towards the cost of an agreed number of places actually delivered in a year. From 2005 onwards each higher education provider will enter into a Funding Agreement with the Government that specifies the number of places and the discipline mix that they will support. This Agreement will be negotiated annually, taking factors such as the institution's mission and labour market needs into account. Welcome back centralist planning.

The contributions payable will range from AUS 1,509 for law students, AUS 4,180 for humanities, AUS 12,303 for engineering and science and at the top of the range AUS 16,394 for agriculture students - about AUS1,000 more for than medical and dental students. In addition, universities will be free to set their own additional HECS fee levels up to an excess of 25 percent above the government levels. (see VC Net 43)

The Government has promised to increase these contribution levels over the next four years as long as universities adhere to certain governance protocols and workplace relations policies. These are all part of a formidable net of controls and information requirements that are collectively called the "Institution Assessment Framework", which has replaced the system of annual institutional profiles. This Framework brings together information on each institution from a range of sources and will be used by Government to review performance in a biennial meeting with each institution. It has four principal elements: organisational sustainability, achievements in HE provision (under three headings), quality outcomes (under four headings) and compliance with four types of 'guidance'.

The loss of the block grant and the rigorous system of performance management seem a high price to pay for the promised increases in funding.

Sources: Details of the Commonwealth Course Contributions by discipline are at [www.backingaustraliasfuture.gov.au/fact\\_sheets/1.htm](http://www.backingaustraliasfuture.gov.au/fact_sheets/1.htm) and the Institution Assessment Framework is summarised at [www.dest.gov.au/highered/programmes/iaf.htm](http://www.dest.gov.au/highered/programmes/iaf.htm)

### **Competition in international linkages with China**

A recent educational fair in Beijing illustrated the remarkable attraction that China has for other countries. Sixty-two institutes and universities from France, 15 from Malaysia, 8 from

the Philippines, 7 from Thailand and 11 from Singapore were all jostling with numerous institutions from the UK and Australia to attract Chinese students to their campuses.

However, several countries are also making a serious attempt to promote close relationships between university leaders on both sides. The first Sino-UK Leadership Development Network project has just ended in which vice presidents and pro vice-chancellors from 22 leading institutions such as Oxford, Cambridge, Peking and Tsinghua exchanged visits and undertook projects on leadership and management topics. The success of this pilot is expected to lead to an annual programme of the same kind. Australia has had a similar success with its Chinese University Administrators Shadowing Program (CHUAS) in which groups of Chinese vice presidents have spent three weeks in Australia attending workshops and seminars and working with Australian leaders in their institutions on common management problems. This is the third such exchange and looks set to continue, since it has already achieved one of its strategic aims which is to increase the number of partnership agreements between the universities in both countries. Until 1999, when CHUAS started, some 24 agreements were signed each year; now the annual average is 50.

Canada and the USA are also actively encouraging Chinese links. In the 2002-03 Canada-China Mentoring Program vice presidents from each country exchanged places to observe management practices and a declared aim was to aid the professional development of the Chinese partners through offering mentoring support. A recent evaluation again confirmed its success. The USA has always been the first country of choice for Chinese students and this has led to a vast number of academic linkages, as so many postgraduates stay on after their final degrees.

The Chinese MOE and its agencies project manage their linkage schemes carefully between countries and take care to have a spread of partners; 2004 is the year for focussing on French collaboration and the French government is supporting the teaching of French in Chinese schools in an effort to increase the 8,000 Chinese students who choose to study in France. In the end, however, the strategic aim of western countries must be to develop deep research-based relationships with the 32 elite Chinese universities in the 985 network, since they are being groomed for potential world class status and are receiving extra funds to help them achieve this.

A Chinese speaker at the recent Beijing event sounded one cautionary note for potential western partners: "we should be careful with a mistaken assumption that strengthening globalisation of university development is identical with westernisation or Americanisation". Nine hundred and eighty-five institutions in particular will wish to be proud of their Chinese characteristics.

Sources: CHUAS workshop is at [www.avcc.edu.au/policies\\_activities/international\\_relations/](http://www.avcc.edu.au/policies_activities/international_relations/) The Canadian scheme is described in the March 2004 issue of *University Affairs* which is at [www.universityaffairs.ca](http://www.universityaffairs.ca) The UK's LDNP scheme has been the subject of an evaluation report which will shortly be published by the International Department of HEFCE.

## **Two ways of making you equitable**

England has just announced the details of the work of OFFA, its Office for Fair Access, which is the body that will police the way universities implement government policy on increasing access to higher education. OFFA has recruited the recently retired Vice Chancellor of the University of Manchester as its head and will now begin work on negotiating 'access agreements' with all institutions. These will be documents which set out the tuition fees that an institution plans to charge, as well as the measures that it intends to take to safeguard and maintain fair access and the targets it will set itself. The agreement will also have to set out what bursaries it intends to give to students from under-represented groups and the outreach activities it plans to undertake in order to get more applications. Institutions will have only five months to develop their agreements and agree them with OFFA. If OFFA is not satisfied that the agreement is setting challenging targets, the institution will be unable to charge any top up fees at all.

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Somewhat ironically, a page on a related UK Department for Education and Skills web site about higher education reform starts with the words “Universities are autonomous and need increased control over their own destiny. . .”.

Australia has similar policy objectives to England in seeking to promote equity, but is choosing to do it principally with a carrot rather than a stick. The Higher Education Equity Programme (HEEP) has Commonwealth funding to spend on six disadvantaged groups and uses this to promote and fund equity programmes in institutions, which are rewarded for the numbers of students they enrol in equity groups and for their success and retention rates. The funding for HEEP is being almost doubled in 2005 and will continue to reward performance rather than punish defaulters.

Sources: For OFFA see [www.offa.org.uk](http://www.offa.org.uk) and national performance indicators which show the scale of the problem are at [www.hesa.ac.uk/pi/summary\\_0203.htm](http://www.hesa.ac.uk/pi/summary_0203.htm) Details of the Australian HEEP can be found at [www.dest.gov.au/highered/programmes/heap.htm](http://www.dest.gov.au/highered/programmes/heap.htm)

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The editor, Svava Bjarnason, and author, John Fielden, are always pleased to receive comments on the usefulness and content of this briefing service. News from other Commonwealth countries, which might be of wider interest, is also most welcome. They can be contacted by e-mail on [vcnet@acu.ac.uk](mailto:vcnet@acu.ac.uk) or by fax on +44 (0)20 7387 2655.

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