



*Better Leaders,
Better Collegiate Life*

18th October 2016

Mr Derek Francis
Review of Local Government Rating System
Independent Pricing and Regulatory Tribunal
PO Box K35
Haymarket Post Shop NSW 1240

Final Submission

Submitted online via:

<https://www.ipart.nsw.gov.au/Home/Industries/Local-Government/Reviews/Local-Government-Rating-System/Review-of-Local-Government-Rating-System>

Dear Mr Francis,

I am writing on behalf of **University Colleges Australia (UCA)**, the Association of Heads of Australian University Colleges and Halls, particularly in relation to any consideration under the Review of Section 556 (1) (I) of the Local Government Act 1993 (NSW): *"The following land is exempt from all rates, other than water supply special rates and sewerage rates ... (I) land that is vested in a university, or in a university college, and is used or occupied by the university or college solely for its purposes."*

Australian university colleges and halls were originally founded for the purposes of providing safe lodging, care, support and supervision of students of our universities, and particularly for those who lived some distance away from the university. They continue to do this task on an essentially not-for-profit basis, investing income/reserves into the development, maintenance and upkeep of facilities for the benefit of students and guests, as well as into a range of programs of personal and academic support, including the provision of scholarships and bursaries to support those who might otherwise not be able to attend university.

Colleges and Halls of Residence operated by affiliated (independent) entities or by their respective universities cover, as at December 2015, some 60% of student accommodation places in New South Wales.¹ The remainder are operated by commercial (PBSA) entities. The essential use and purposes of the residential colleges and halls continue to be both to support and enhance the university experience of their residents, not just individually but also collectively. They are scholarly/academic communities – places of education.

There are important distinctions between commercially operated PBSA providers and residential colleges and halls of residence. All residential colleges and halls of residence in Australia either directly or through the entity that provides their body corporate status (such as a church, a university or a charitable trust) are registered as charities with the Australian Charities and Not-for-profits Commission (ACNC). They have practices and constituent charitable objects of advancing education and/or advancing religion, as endorsed by the ACNC. They are entitled to access the non-commercial supply provisions applicable to charities at section 38-250 of the *A New Tax System (Goods and Services Tax) Act 1999* (Cth) (GST Act).

¹ Mr Peter McDonald, 'Tertiary Balance' – author of the 2014 National Census of University Student Accommodation Providers

With increasing numbers at and access to our universities, the provision of residence is critical to the needs of a diverse range of domestic and international students. Our residential colleges and halls more than ever are living and learning environments that provide for the resident student's intellectual, social, in many cases spiritual, and personal development and wellbeing. The late Professor Alan Gilbert, former Vice-Chancellor of the Universities of Melbourne and Manchester has noted: *"... the kinds of multi-layered, close-knit, highly-interactive learning communities that good university colleges and halls of residence create are likely to remain among the hallmarks of any great undergraduate educational experience."*²

In particular, the following relate especially to the purposes of our colleges and halls:

- Provision of safe and supportive residence for students from low SES, regional, rural and remote parts of the State and throughout Australia, often with some scholarship and/or bursary assistance;
- Care and support for a whole range of students from diverse backgrounds and with needs that require 24/7 monitoring and, as required, appropriate response;
- Increasing need to provide for students with mental health and other health issues, with training provided for staff and student leaders in Youth Mental Health First Aid;
- A range of training in leadership, decision-making, respectful relationships, and appropriate response to sexual harassment, assault and bullying;
- Leadership development, with a focus on community wellbeing and service for the benefit of others in the wider community;
- Developing a sense of belonging, noted to be a significant factor in student retention at university: *"Belonging to a community has long been seen as an important quality of higher education ... belonging signals the absence of alienation whereby people feel detached or even lonely in a crowd."*³
- With 80% of international students in Australia in private rental accommodation, and with reports of exploitation by landlords and appalling living conditions, the increasing need for provision of appropriate accommodation and programs for on-shore Higher Education students at our universities, together with the value of university residential communities as rich in their diversity and cross-cultural connection;
- Academic support and enhancement, with studies noting that students in residence overall perform better academically than those not in residence.

The Draft IPART Report contains a recommendation that land used for residential purposes should be rateable, because *"... this purpose generates a private benefit to the resident, rather than a public benefit to the wider community."* (p.78) UCA does not express any objection to the recommendation that rate exemptions be based upon land use rather than ownership. Where a charitable institution (such as a residential college or university) uses land for residential purposes in aid of its constituent charitable objects of advancing education or advancing religion, this is presumed to be for the public benefit.

University colleges and halls are not places of commercial gain, and seek directly to support the work and purposes of their respective universities. Any imposition of rates could have an impact on fees and affordability, the support programs our colleges and halls provide, and the access, for example, that a range of students have to enrol in courses at universities that are not located close to home. Colleges and halls act to assist students to navigate their way safely through their university experience, and provide a collegial and mutually supportive environment where young people can exchange and explore knowledge and ideas, build positive relationships and connections, and develop as future leaders of our local, State, national and international communities. This has had, and has, enormous public benefit locally and overseas.

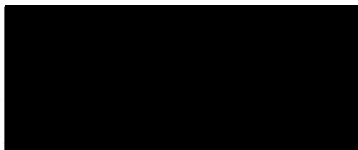
² Alan Gilbert 2007: 'Positioning the University of Manchester as a Premium Provider of World Class Undergraduate Education: A Briefing Paper for the 2007-2008 Review of Teaching, Learning and the Student Experience' p.16
http://www.manchester.ac.uk/medialibrary/staffnet/briefing_paper_ug_education.pdf

³ Hamish Coates et al 2016: (Draft) *New Perspectives on the Student Experience*; Gavin Moodie: *Which students are most likely to drop out of university?* 'The Conversation' 23 March 2016

I do ask that special consideration be given therefore to the special role that residential colleges and halls play in the life of our universities and the wider communities beyond, and that the current exemption under Section 556 (1) (l) be retained.


Thank you for the opportunity to make comment on the draft proposals and I will be more than happy to provide any further information you might require.

Yours sincerely,



Dr Ian Walker

President, University Colleges Australia

(Head, Toad Hall ANU )