



Department of Education and Early Childhood Development

Office of the Secretary

2 Treasury Place
East Melbourne, Victoria 3002
Telephone: +61 3 9637 2000
DX 210083
GPO Box 4367
Melbourne, Victoria 3001

Mr Stephen Palethorpe
Committee Secretary
Senate Select Committee on School Funding
PO Box 6100
CANBERRA 2600

Dear Mr Palethorpe

Thank you for your letters of 16 May 2014 requesting information on the individual needs-based school funding models used in Victoria, and 2 June regarding questions arising from the 13 May Public Accounts and Estimates Committee hearing.

Regarding your letter of 16 May, Victorian funding for government schools is allocated through the Student Resource Package (SRP) and funding for non-government schools is determined by the Financial Assistance Model (FAM). Both models provide funding for each student and are weighted to support children experiencing disadvantage.

Victorian government schools operate under one of the most advanced and fully devolved funding models in the world, with principals and school councils charged with the authority of determining how funding is allocated and targeted to enhancing student outcomes.

The SRP was introduced for Victorian government schools in 2005. Since implementation, the guidelines and funding formulae of the SRP have been publicly available on the Department's website and school-level SRP allocations are provided to the council of each Victorian government school. To access the SRP Guide 2014 please visit: www.education.vic.gov.au/management/srp.

Please find attached hard copies of the FAM Guide 2010-13 and SRP Guide 2014.

Regarding your letter of 2 June, please find included responses to your questions.

If you would like further information, you may contact Greg Norton, Executive Director, Intergovernmental Relations Division, on 9637 3733 or by email: norton.greg.a@edumail.vic.gov.au.

Yours sincerely

Richard Bolt
Secretary

12/6/2014



Question 1

Now that the federal budget has been handed down, please advise whether the Victorian Government now has clarity over the school funding amounts available for the six year transition phase? Can you provide an annual breakdown of this federal funding which shows:

- a) Whether or not the state amount declines (as opposed to projections used for the Victorian State Government Budget 2014-15) and**
- b) The effect of any decline on the overall amount of funding for schools in Victoria?**

Answer

The 2014-15 Federal Budget commits to Commonwealth funding levels for Victoria as per the signed agreement until the end of 2017. There has been no change to figures in the 2014-15 Victorian Budget subsequent to the Commonwealth Budget.

The Commonwealth Government has indicated that funding levels from 2018 are subject to further negotiation with States and Territories. It is therefore not possible to outline Federal funding levels for 2018 and 2019.

Question 2

Can you provide a summary of the documentation which you stated exists in the public domain and which illustrates the position taken by the Victorian Government pre- and post- signing the NERA?

Please see links to information sought below:

Media Release 23 February 2013 – Victoria's Plan for School Funding Reform

<http://premier.vic.gov.au/media-centre/media-releases/6107-victorias-plan-for-school-funding-reform-the-next-steps-in-raising-student-performance.html>

Media Release 26 June 2013 - Victorian Funding Reform Proposal

<http://premier.vic.gov.au/media-centre/media-releases/7163-victorian-schools-proposal-substantial-funding-reform.html>

Media release 5 August 2013 – \$12.2 Billion Win for Victorian Schools. Includes signed School Funding Heads of Agreement between Victoria and the Commonwealth

<http://premier.vic.gov.au/media-centre/media-releases/7508-12-2-billion-win-for-victorian-schools.html>

School Reform Agreement Fact Sheet August 2013 – Department of Education and Early Childhood Development 2013

http://www.education.vic.gov.au/Documents/about/department/vlc_fundingfact.pdf

Question 3

The committee secretary sent a letter on 16 May to the Department of Education and Early Childhood Development regarding advice on school funding models. Could you please advise the progress of a response to this letter? When should the committee expect a response?

See body of letter above for a response to the letter received 16 May.

Question 4

What is the review of state funding noted by Independent Schools Victoria. Could you advise on the purpose of the review and of its progress to date? What is the

effect on the review of the announcement regarding school funding indexation in the Federal Government Budget 2014-15?

My Department regularly reviews school funding to ensure resources are allocated effectively and efficiently in order to help lift educational outcomes for all Victorian students. The Department will continue to work collaboratively with the non-government sector, through ISV and CECV, to distribute school resources in a fair and equitable manner in order to maximize student outcomes.

Question 5

In answering the committee's letter of 16 May regarding school funding models, could you set out a break down by year showing the state funding and the Federal Government funding? Further could you provide advice on how funding in the coming years is to be allocated with regards to those schools which have received National Partnerships funding? What mechanisms will be put in place to readjust funding in future years when the National Partnerships funding has concluded?

Answer

Refer to response to Question 1.

As part of the school funding agreement, the 2013-14 Commonwealth Budget stated that funding under a number of National Partnerships would be redirected to the Commonwealth's incoming funding model for schooling.

In relation to the Low SES NP, to ensure that schools currently eligible for Low SES funding will not experience a significant decline in funding, the 2014-15 Victorian Budget sets aside funding, as part of the \$563.8 million *Resourcing Schools to Raise Performance* initiative from 2013-14 over five years, to maintain funding levels assuming that their eligibility status and enrolment numbers remain stable.