

## Senate Committee: Education and Employment

### QUESTION ON NOTICE Additional Estimates 2016 - 2017

#### Outcome: Schools and Youth

#### Department of Education and Training Question No. SQ17-000383

Senator Collins, Jacinta provided in writing.

#### *School funding*

#### Question

What elements of the SRS model have been reviewed by the Government?

- a. Has the base per student amounts been reviewed? If yes, please summarise the findings.
- b. Have the reference school calculations, underpinning the per student base amounts been updated? If yes, please summarise the findings.
  - i. If yes, what would an updated reference school calculation determine the per student amounts to be?
  - ii. If not, why not?
- c. Have the individual loadings been reviewed? If yes, please summarise the findings.
- d. Has the low-SES loading been reviewed? If yes, what were the findings?
- e. Has the Indigenous/ATSI loading been reviewed? If yes, what were the findings?
- f. Has the regional and school size provisions been reviewed? If yes, what were the findings?
- g. Has the capacity to contribute element of the SRS been reviewed? If yes, what were the findings?

#### Answer

The Department of Education and Training has reviewed and provided advice on a range of policy issues to inform deliberations of Government.

(a) and (b)

For 2018, the base per student amounts for primary and secondary schools have been reviewed and re-calculated using the latest available data (2015 MySchool financial data and 2013-2015 NAPLAN data).

The methodology used to re-calculate the base amount was commissioned by the 2011 *Review of Funding for Schooling (Allen Consulting Group 2013, Schooling Resource Standard: 2011 update)*.

The 2018 base Schooling Resource Standard amounts are \$10,953 for primary and \$13,764 for secondary.

(c), (d), (e) and (f)

The base amount will continue to be supplemented with loadings for Indigenous students, students with a disability, English language proficiency, socio-educational disadvantage (previously known as the low socio-economic status (SES) loading), school size and location.

The Australian Government conducted a review of the low SES and the English language proficiency loadings in 2014. Work was undertaken through the Schools Policy Group of

Education Council in 2015 and found that the best measure currently available is the socio-educational advantage (SEA) measure that is used for the low SES loading.

The students with disability loading from 2018 will be based on the Nationally Consistent Collection of Data on School Students with Disability (NCCD). Current state definitions are inconsistent and under current arrangements, a student with disability may attract the loading in one state but not another.

(g)

As a result of reviewing the capacity to contribute settings under current arrangement, changes were made to the settings for primary and systemic schools to ensure funding is better targeted and more needs based.

Under current arrangements, for secondary schools, the capacity to contribute is a 'straight line' between socio-economic status (SES) scores of 93 and 125. For primary schools, the current line is curved and as a result, for schools with SES scores between 108 and 122, a primary student receives a higher base amount than an identical secondary student, despite the costs of secondary schooling being higher.

As a result of this analysis, the current capacity to contribute curve for primary schools will be modified from 2018 to avoid the base amount (after the capacity to contribute has been applied) for primary students exceeding that for secondary students.

Under current arrangements, all non-government schools in a system are allocated the weighted average SES score for their system. This means high SES non-government systemic schools can be allocated a lower score than if they had been treated as an individual school (suggesting higher levels of need), and low SES non-government systemic schools can be allocated a higher score than if they had been treated as an individual school (suggesting lower levels of need).

Analysis shows that for the purposes of calculating the capacity to contribute, this means that high SES schools in systems that have adopted system weighted average SES scores can attract higher levels of funding than they otherwise would, and low SES schools can attract less funding than they otherwise would. Overall, this masks the actual level of need of individual schools within the system.

As a response to this analysis, under the new arrangements, non-government schools will have an SES score applied that reflects the individual circumstances of that school. Systems will continue to be able to redistribute funding within their system according to their own needs-based funding models, as assessed to be compliant with the requirements under the legislation.