

**Senate Committee: Education and Employment**

**QUESTION ON NOTICE  
Budget Estimates 2017 - 2018**

**Outcome: Schools and Youth**

**Department of Education and Training Question No. SQ17-000844**

Senator Collins, Jacinta provided in writing

***Costs of distance education***

**Question**

What analysis is the Department or any other parties on behalf of the Department undertaking in relation to the costs of distance education? Please share any briefing material with the committee.

**Answer**

The Department of Education and Training has engaged KPMG to conduct an independent study of the cost of non-government distance education in schools, through the development of three case studies. The study will provide an evidence base of the costs of distance education delivery incurred by case study schools, having regard to the quality of education delivery and the level of student support.

Approved authorities of the 15 non-government distance education schools were invited to express interest in participating in the study. Six have agreed to participate as case study schools.

The scope of the costing study is at **Attachment A**.

**Excerpt from *Request for Quote* to conduct a costing study  
of non-government distance education**

**1. Introduction**

**1.1 Purpose**

This RFQ outlines the requirements for an independent consultant to conduct a study comprising case studies on the cost of distance education delivery in three selected non-government schools.

The schools will be identified by the Agency in consultation with relevant state/territory education authorities and their agreement secured prior to commencement of the study.

**1.2 Intended Outcomes or Objectives**

The case studies will provide an evidence base of the costs incurred by the selected schools to deliver distance education to their students. The findings will inform consideration of future policy in regard to the delivery of non-government distance education.

***Background***

The Australian Government provides recurrent funding for non-government schools, including those schools of distance education.

NGDE schools receive a funding contribution from the Australian Government, as well as from state and territory governments. *The Australian Education Act 2013* (the Act), under which Australian Government funding is made, currently calculates funding equivalent to 35 per cent of the Schooling Resource Standard for each full time equivalent student in non-government distance education schools, plus 100 per cent of applicable loadings.

Under the Act NGDE schools must run both an on-campus day school and distance education school to attract Australian Government funding.

State education authorities are responsible for the registration, accreditation and regulation of non-government schools.

NGDE providers have made numerous representations to the Australian Government regarding the disparity between the levels of its funding support for day students compared to distance education students. There are claims that Australian Government funding does not take account of the rising cost of education delivery following the requirement to implement the Australian Curriculum.

The Agency is seeking to build an evidence base of the cost of delivering NGDE by building case studies of three non-government schools of distance education.

## 2. Statement of Requirements

In consultation with the relevant education authorities and selected schools, the consultant will conduct on-site investigation to prepare case studies for three selected schools.

The case studies will provide an evidence base of the cost of delivering NGDE by investigating the costs incurred by the schools having regard to their mode of delivery, quality of education delivery (particularly in relation to curriculum and teaching resources) and level of student support and student outcomes (to the extent possible). They will examine the schools' (sources and quantum of) income and expenditure and the extent to which any funding gaps place a constraint on their ability to improve education delivery and student outcomes.

The investigation will include the following, at a minimum:

### ***Quantitative factors***

- Distance education delivery costs including identification of cost drivers such as teacher and support staff salaries, professional development, infrastructure costs and technology costs
- Sources of school revenue, including Australian Government and state government recurrent funding, fees charged to parents and other types of income, that support distance education operations
- An assessment of any funding gaps and constraints they impose on the provider's capacity to improve distance education delivery and outcomes
- To the extent possible, a comparative assessment of the cost of delivering classroom education vis-à-vis distance education and the extent to which distance education costs are offset against classroom delivery.

### ***Qualitative factors***

- Description of the mode/s of distance education delivery including the extent to which the school has developed its own online learning technology, or adopted commercially available online learning technology, to facilitate education delivery and student learning
- The quality of education provision in relation to curriculum offering, level of teacher support (individual work plan development, teaching and contact hours, student/staff ratio), extra-curricular activities and support for student wellbeing and engagement
- The profile of distance education students, including year levels and reasons for choosing NGDE
- Student participation and outcomes, such as attendance and "attendance monitoring" NAPLAN results, state-based assessments and achievement of formal school qualifications for distance education students.

### 2.1 Target Population

The population of interest for this project are selected schools of NGDE, their students and teachers.

## **2.2 Research Methodology/Approach**

It is anticipated that the successful Panel Member will undertake consultations with relevant state authorities in relation to accreditation and regulation pertaining to the identified schools. With the schools' permission, a review of education practices, student profiles and delivery costs will be conducted through on-site observations and interviews (eg. with school principal, teaching and administrative staff) and examination of curriculum materials, technology systems, financial records and other relevant documents.