

December, 2011

Review of Funding for Schooling Papers on Commissioned Research – AISSA Response

On August 31 the Review of Funding for Schooling released the following four commissioned research papers for consultation.

- Assessing existing funding models for schooling in Australia, *Deloitte Access Economics*;
- Assessment of current process for targeting of schools funding to disadvantaged students, *Australian Council for Education Research (ACER)*;
- Feasibility of a national schooling recurrent resource standard, *The Allen Consulting Group*; and
- Challenges and opportunities in Australian schooling, *The Nous Group consortium*.

The Review called for feedback on how the findings of each paper should influence a funding model. This feedback was to be provided by 30 September and presented the final opportunity for stakeholders and the community to provide a response to the Review.

In preparation for its response the AISSA consulted with the AISSA Board, Reference Groups and the Review of

Funding Working Party, which was established by the AISSA Board to provide advice on the Review of Funding for Schooling.

This briefing provides a brief overview of the key points in the AISSA response and the next steps.

AISSA RESPONSE – KEY POINTS

The AISSA response focused on identifying how key proposals in each paper could contribute to any new funding model, the way in which these proposals should operate and outlining areas of concern for the Independent school sector. A more detailed response was provided by the Independent Schools Council of Australia (ISCA).

The AISSA supported the ten funding principles (equity, effectiveness, adequacy, efficiency, incentive, certainty, flexibility, transparency, accountability and simplicity) which the Deloitte paper argued should underpin a funding model. AISSA's support was, however, subject to the addition of a further four principles – choice, diversity, excellence and basic entitlement – and to the principles operating as outlined in the AISSA submission. For example, with regard to the principle of incentive government funding arrangements should support parent and community investment in education and schools should not be disadvantaged by attracting private income.

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In response to the ACER paper the AISSA noted that improving the educational outcomes for disadvantaged students is a key challenge for all Australian governments. Hence, the AISSA welcomed the review's focus in this area.

However, the AISSA identified serious concern both with a number of unsupported generalisations about non-government schools in the ACER paper and problems in the data collection process. These issues impacted on the validity of some proposals.

The AISSA supported a standard disabilities entitlement 'to frame a minimum funding standard for students with disabilities.' However, rather than be confined to the non-government sector it should be applied to all students with disabilities regardless of the school or sector they attend in recognition of their specific needs. Additional funding to support the needs of students with disabilities should be allocated at the same level regardless of school or sector and not redirected from current funding.

The ACER paper proposed a pooled fund model, which AISSA observed reflects the model of administration for Australian Government Targeted Programs in the SA Independent school sector. The AISSA's administration of Targeted Programs meets the principles of equity, efficiency and effectiveness as identified in the Deloitte's report and its continuation was strongly recommended.

With regard to support for low SES students the AISSA noted that the issues faced by these students are as relevant in Independent schools as they are in

government schools. While increased funding for low SES schools was welcomed it should not be confined to government sector. The AISSA would not under any circumstances support the use of ICSEA, which has been designed as an indicator for measuring educational advantage and does not measure socio-economic status, in identifying low SES students.

The AISSA indicated that it does not have confidence that the National Schooling Recurrent Resource Standard (NSRRS), as outlined by the Allen Consulting Group would or could be an accurate indicator of the cost of providing high standard schooling.

The NSRRS appears significantly flawed and less accurate than the Average Government School Recurrent Cost (AGSRC). Moreover, it is likely to significantly understate the costs of providing high standard school education thereby leading to an inequitable distribution of funding.

Significant concern was expressed regarding the use of the narrow measures of NAPLAN and MySchool data in the NSRRS. NAPLAN provides a point in time snapshot, which when triangulated with other school data provides information at the school level. The data on the MySchool website has a number of well known limitations. The Nous Group paper made a number of incorrect sweeping generalisations regarding Independent schools which AISSA challenged. AISSA further noted that sweeping generalisations add little to the debate and detract from some useful proposals.

The AISSA supported additional government funding being provided to support improving the quality of teachers and teaching, leadership development, improved outcomes for disadvantaged students and investing in 'underperforming' schools where there is a concentration of disadvantage as proposed in the NOUS paper. This funding should, however, be in addition to existing recurrent and targeted funding rather than reallocated from within.

Additional funding should be administered by the respective school, system or sector authority under arrangements directly established with the funding provider. This would foster innovation and autonomy and the capacity to respond to the needs and opportunities in the school, system or sector.

NEXT STEPS

The public consultation process for the Review has now closed and the final report is expected to be provided to the Australian Government by the end of December.

The Australian Government is expected to make a decision regarding future funding arrangements in 2012. The AISSA has developed a range of materials to support member schools in talking to their local representatives about the key issues facing their schools. These materials will be distributed to schools early in 2012.

The AISSA will continue to inform member schools of developments in this area.

Further information on the Review of Funding for Schooling is available via the

Review website at:

<http://www.deewr.gov.au/Schooling/ReviewofFunding/Pages/default.aspx>. The

AISSA response can be accessed via the Current Issues section of the AISSA website at:

<http://www.ais.sa.edu.au/communications-news-media/current-issues>.