

# National School Resourcing Board – Review of the regional Schooling Resource Standard loadings

## Northern Territory Department of Education Submission

### Introduction

The Northern Territory (NT) Department of Education (department) welcomes the opportunity to provide a submission to the National School Resourcing Board's Review of the regional Schooling Resource Standard (SRS) loadings. Education starts from birth, and the department is committed to ensuring children have the support they need to engage, grow and achieve throughout life, regardless of where they live.

With approximately one per cent of Australia's population spread across 17 per cent of its land mass, there are some unique issues for the delivery of services of any type to NT residents.

Around three quarters of the 153 government schools in the NT are located in remote and very remote areas, and about a third of these have a total enrolment of 50 students or less. Over 40 per cent of students in government schools in the NT reside in remote or very remote areas compared to 2.5 per cent nationally. The NT also supports 46 homeland learning centres in remote and very remote homelands, 33 of which are currently operational. Students at these centres are captured in the SRS student based loadings, however the centres themselves are not recognised as additional 'educational facilities' and do not receive funding under the regional SRS loadings, despite requiring significant resources to maintain.

The NT notes there are a number of non-government schools in regional and remote areas of the NT, which are also impacted by the higher costs associated with delivering education in these areas.

The student profile in the NT varies significantly from other jurisdictions. There are a disproportionate number of disadvantaged students in the NT, the majority of which attend government schools. The complexity of education service delivery is further compounded due to the multidimensional needs of many NT children and students, particularly in remote areas.

Provision of education in remote and very remote areas of the NT is difficult and expensive, and is impacted by factors such as low population density, which includes school size, availability of ICT, community and support services, and curriculum breadth.<sup>1</sup> The vast distances between schools, and small population sizes, mean that it is more difficult to achieve economies of scale and contestability in delivering education services in the NT.

Out-of-school expenses are also a lot higher for NT schools. The Productivity Commission (2020) Report on Government Services 2020 shows that combined government expenditure for each NT government school student for out-of-school expenses, such as other operating and staff related expenditure, was \$2 889 compared to the national average of \$766 per student.<sup>2</sup>

Children under five years of age in remote areas of the NT have poorer participation rates in early learning, and arrive at school less prepared to learn and thrive than those in urban areas. For this reason, the

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<sup>1</sup> Stokes et al. 1999, Baxter & Hand 2013

<sup>2</sup> Productivity Commission (2020). Report on Government Services 2020 (Part 3.A, Table 4A.15)

provision of early learning programs and preschool education, particularly in remote areas, is imperative to their success throughout their schooling years.

A child's educational journey begins at home, but many families need support to help their children learn. In recognition of this, the department provides the Families as First Teachers (FaFT) program in 55 sites across the NT, 51 of which are remote and very remote sites, for children and their families from birth to the year before full-time schooling. FaFT aims to support families in their role as their child's first teacher, enhance their lifelong education, promote their development and wellbeing and ensure they are school ready.

The NT Government also facilitates integrated early years services through 10 child and family centres across the NT, with plans to expand the network of centres to 17. The centres employ service integration leaders and Aboriginal coordinators to improve children's development, build family capacity and foster child friendly communities.

The cost of provision of early learning across remote areas of Australia, such as the NT, is high. For example, combined government expenditure on early learning and care services across the NT is \$9 572 for each child enrolled – 43 per cent above the national average (\$6 681 per child)<sup>3</sup>. In 2019-20 the department's expenditure on early years was \$30.6 million and \$40.4 million for preschool education.

The delivery of education in the NT is complex and funding must be appropriate to meet student need. This includes adequate funding to address equity challenges, such as those faced when delivering education in remote areas and small schools, to ensure that no child is disadvantaged.

The NT considers the current loadings for regional, remote and small schools to be adequate in the absence of a more appropriate method of measuring the support required to achieve equity for these schools and their students, noting that homeland centres do not receive funding under the regional SRS loadings.

## Focus Questions

### 1. What are the elements specific to school location that increase the cost of delivering education in these settings?

There are various elements that relate to school location that increase the cost of delivering education in these settings such as:

**Remote employee allowances and benefits** – in order to attract and retain teachers in remote locations, employees are entitled to receive:

- remote locality provisions, including financial assistance with airfares for themselves and their recognised dependents
- an allowance to assist with the costs of freight for foodstuffs they purchase outside the remote locality
- free housing
- special study leave provisions
- accommodation allowances in conjunction with fares out of isolated locality
- relocation costs (depending on the circumstances)
- remote retention payments after 40 weeks of continuous employment.

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<sup>3</sup> Productivity Commission (2020). Report on Government Services 2020 (Part 3.A, Table 3A.36)

**Servicing remote communities** – the cost of servicing remote schools is substantially higher than that of urban schools, predominately due to:

- travel and transport costs to and from remote schools, which can involve travelling for multiple days and multiple forms of transport such as charter flights, and accommodation costs
- training and professional development opportunities for remote staff
- provision of relief teacher services, to allow staff time off to travel to medical or other appointments or due to cultural business, illness, caring responsibilities and address staff turnover
- high staff turnover in remote communities (about 25 per cent) which adds to the administrative burden and costs
- the high mobility of students in remote areas also impacts on administrative costs and provision of wrap around support and education; the NT Department of Education provides the Literacy and Numeracy Essentials program to ensure Aboriginal students access curriculum through appropriate pedagogical practices and to ensure continuity of education when moving between schools
- delivering student support and wellbeing services, such as school counselling services, further adds to these costs.

**Operational costs** – the remote, isolated nature of a number of NT communities adds significant costs to the everyday operational functions of remote schools and is compounded by locational factors such as poor roads, nature of the terrain, drought, flooding, natural disasters and a lack of public transport. Isolation means operational costs are higher, including:

- freight costs, which vary depending on the level of remoteness and accessibility of a community
- travel time and costs associated with the provision of goods and services add to the operational costs for remote schools, meaning that the cost of even basic repairs such as fixing a school photocopier in a remote school may be substantially higher than that in an urban school
- reliance on charter flights for supplies during the year, which can cost up to \$5 000 per flight, such as when communities are not accessible for lengthy periods of times due to seasonal weather and events
- building and maintenance costs for school facilities increase substantially in line with the level of remoteness, and are impacted by the limited infrastructure in remote communities; school facilities in certain regions must also meet specific building standards, including those in cyclone prone areas, and be built to endure extreme heat and exposure to the elements
- additional costs can also be attributed to high levels of vandalism and security arrangements in remote areas
- cost of utilities for schools including those that have issues with power supply and rely on diesel generators for power.

#### *Operational costs – Case Studies*

**Freight costs:** to supply educational resources during the COVID-19 pandemic to a school of 50 students in a remote community only accessible by air for half the year was approximately seven times the cost per student than that of a school of 220 students accessible by barge. This increases substantially if a charter flight is required.

**Power costs:** a small cluster of remote homeland learning centres in East Arnhem spend over \$75,000 on power costs annually (without air conditioners), which includes costs for diesel and very high rates for solar power charged by their provider.

**Student engagement** – in order to effectively engage students and families, particularly in remote areas, the NT Department of Education undertakes a range of engagement activities, including:

- employing Aboriginal assistant teachers in schools across the NT to ensure active communication with students at school and provide culturally/language appropriate resources

- implementing the local decision making initiative in remote and very remote communities to empower schools, parents and communities to jointly make decisions about student education and how it is delivered including employing people to engage with communities
- engagement programs which support student social and emotional wellbeing to maximise attendance and participation to improve educational outcomes.

**Critical incidents and extreme weather events** - responding to critical incidents and severe weather events in remote communities adds to the cost of delivering education in remote areas.

- Substantial time and resources are required to organise and finance culturally appropriate support services following 'at risk' incidents or traumatic events, such as a death in a community, including counselling staff.
- Severe weather events such as cyclones and flooding require the provision of support to staff and schools including organising evacuations.
- Where residents are unable to return to communities for extended periods, 'pop-up' schools are often provided to enable students to continue their education.

## 2. Are there additional elements associated with school size for smaller schools in regional and remote settings that increase the cost of delivering education over the costs for small schools in city areas?

There are many additional costs associated with servicing small schools, particularly for those located in remote and very remote areas of the NT. These schools play a pivotal role in their community, and service the surrounding areas, but are unable to share their resourcing costs with other schools due to their isolated location.

**Staffing** – the diverse student cohort in small schools impacts staffing numbers and resourcing arrangements, making it difficult to plan the number of staff required each year.

- Small schools often have students in a range of year levels and additional teachers may be required in order to deliver the required breadth and appropriate education relevant to the year level and abilities of these students.
- Student cohorts vary from year to year, and some schools may have only primary or secondary level students one year, followed by a mix of primary and secondary students the next, making it difficult to predict the staffing requirements at these schools.
- It is difficult to recruit a part-time teacher to a remote location, therefore a full time-time teacher usually needs to be employed.

**Breadth of curriculum provision** – school size is another factor which impacts on the cost of delivering breadth of curriculum.

- Small schools face fixed costs regardless of the number of students and higher costs associated with provision of programs, including higher costs for activities to support learning such as school excursions, which attract higher costs including staff travel, accommodation, travel allowances and provision of relief staffing arrangements
- Higher costs and challenges associated with delivering vocational education and training (VET) in remote areas which has also been noted in several recent reviews, including the Expert Review of Australia's Vocational Education and Training Systems.
- The NT Department of Education delivers distance education services to students in remote communities who are also attending local remote schools to enable reasonable access to the breadth of curriculum. The distance education is delivered through the school as it offers students a dedicated place to learn and has ICT access. In this situation, under the NT Department of Education funding model, funding is provided to both the distance education school and the remote school, which

effectively funds the student in two schools and is three times the cost of an urban student. This is appropriate as education is delivered to these students by both teachers in the local school and teachers at the distance education school.

### 3. Is the dollar value of the current school location and school size loadings appropriate to meet the additional costs specific to school location and school size?

The NT Department of Education believes the current loadings for remote schools are reasonable, but notes that it is difficult to quantify the full range of costs associated with school location and size. The NT Department of Education is currently undertaking further work as part of its School Resourcing Model Action Plan to determine what the appropriate loadings should be within its own model. The NT Department of Education is also reviewing the way that it apportions overheads across schools to inform MySchool financial reporting from 2020. The MySchool data for NT schools currently under-reports the NT Department of Education expenditure on remote and very remote schools.

The NT notes that current loadings do not acknowledge the very high costs for staff, freight, transport, service delivery and building and maintaining schools in remote settings. Similarly early childhood and boarding costs are higher in remote settings and not included in loadings.

### 4. Are there elements specific to school location which have particular resourcing implications for certain types of schools in regional and remote areas, such as boarding schools and small non-systemic schools (as opposed to small systemic schools)? What are the elements?

**Homeland Learning Centres** – the NT Department of Education provides educational services to homelands to ensure all children across the NT have access to a quality education. Homeland Learning Centres deliver an education program administered by local hub schools. These centres are not considered to be education facilities, and are therefore not eligible for funding under the regional SRS loadings despite the significant operational costs associated with running these centres. A teacher based at a hub school supports a local community member (employed as an assistant teacher) to deliver educational services to children living in the homeland or outstation. As housing for teachers is not available in homeland communities, they travel in and out of the community, often by plane. The NT Department of Education has 46 Homeland Learning Centres across the NT, 33 of which were operational in Term 2, 2020 due to factors such as extreme weather conditions. However, the operational status of homeland learning centres can change at short notice depending on the movement of community members and seasonal conditions. The NT Government is reviewing its policy in relation to delivery of services more broadly in homelands.

**Boarding** - Commonwealth Government recurrent funding for schools covers in-school costs only and does not extend to supporting the provision of boarding. In remote and very remote schools the pathways available to students can be limited depending on the size of the community and the number of students enrolled and attending the community school. To enable remote students to have a pathway that is comparable to students living in urban areas, the NT Department of Education provides:

- substantial recurrent funding for government and non-government boarding schools (more than \$7 million in 2019-20) and invests in infrastructure, none of which counts towards the NT's contribution towards meeting the SRS (for example the NT Department of Education constructed a boarding facility in Nhulunbuy at a cost of over \$20 million)
- wrap-around and boarding school support services, including:
  - working with families, schools and students in Years 6 and 7 to ensure students are aware of their options and prepared for boarding school
  - helping students enrol in, and attend, boarding schools in the NT and across Australia

- case management support for all students who have transitioned to regional high schools and boarding schools in the NT and other jurisdictions
- a rapid response service for students identified as being at risk of disengaging from boarding or requiring re-engagement support back into their home community, back into a school in the NT or an alternative education option
- excellence scholarships for high achieving students to transition to some of Australia's leading boarding schools
- post-school transition support to assist students nearing the completion of secondary schooling to plan and prepare for the next stage of transition to further study or employment.
- ongoing support to boarding students as required. For example, throughout the COVID-19 pandemic the NT Department of Education provided ongoing support to boarding students studying in the NT or at interstate boarding schools whose education was disrupted by travel and border restrictions. Support included the provision of devices, teaching resources and physical spaces for these students to continue their learning in their local community.

### **5. Is ARIA+ the most appropriate basis for classifying locations and applying to the school location loading? Should another measure be considered?**

The NT Department of Education supports the continued use of ARIA+ as the best option for the school location loading component of the SRS. The NT notes that any new measure would likely dilute the strictly geographic nature of the loading component and overlap with other existing loading components.

From the NT perspective, accessibility and distance are key drivers to many of the additional costs associated with delivering education in remote locations, therefore ARIA+ is the most effective indicator in relation to classifying locations, and the strongest indicator of the additional costs.

### **6. Are there new or emerging factors that should be taken into consideration when looking at the cost of education in regional and remote areas and/or small schools?**

Environmental challenges are beginning to impact on the cost of delivering education services. An increasing number of severe weather events, including the 2019-20 fire seasons, upcoming 2020-21 cyclone season (predicted to be above average in the northern region), drought and flooding will likely have a significant impact on the costs of delivering education in remote areas of Australia. In Central Australia, communities are also now threatened with a lack of water security, the resolution of which will add significant ongoing costs to the servicing of communities.

Given the important role of technology in education service provision and learning, as much as for the improvement of social and economic outcomes of residents and delivery of services, expansion of internet access in remote areas and schools is critical. A significant number of remote NT schools do not have sufficient, if any, internet access (much higher than any other jurisdiction) and where it is available, it is unreliable and frequently unusable. The maintenance of ICT equipment in remote areas is also resource intensive which is further compounded by factors such as corrosion, dust and moisture due to the lack of air-conditioned and weather proof settings. This is an area that will require significant investment in order to improve equity of access to education services.