ACPPA Review of socio-economic status score methodology (Feb 2018)

1. **What are the strengths and limitations of the current SES methodology that is used to determine the capacity of a school community (school, family, parent) to contribute to the recurrent costs of the school?**

- Census information can be skewed by the person inputting data and thereby does not give an accurate picture of reality
- High income households are identified as having income greater than $143,000, and high-income families with school age children as having income greater than $156,000. Does having one threshold hide income variations within the family? Some low-income families may be wealthy and vice versa.
  Example: (NSW Concerns are around what is considered the highest tier of income. There needs to be much greater scope with regards to the higher tiers - families on incomes of $150,000 have a different capacity to pay as those on incomes which are much lower. There is no consideration of living costs particularly housing and rent. How can the new scale take this into consideration without impacting very negatively on the Catholic systemic schooling system? Many families rely on overtime, but this is not guaranteed so how will changing incomes be factored in.)

- Should all school ‘private or other’ income be considered – in some schools it is not just parent capacity to contribute that needs to be taken into account…what are the variations that exist and impact on capacity. (e.g. rental and profits from Early Learning Centres, profits or rental agreements from After School care, Private Donations, ability to fundraise.)

- Low fee non-government schools in the lower SES score bands have limited capacity to raise private income.

- Different non-government schools could vary where parents have exactly the same SES, even if one school has higher fees and private income than the other?
  (Tasmanian example: a school suffers because our SES does not accurately reflect our enrolment as area level data misclassifies individuals and families. The school is located in a low SES area however there are some very affluent suburbs around us. We don't actually draw many (any!) students from these suburbs but it is my understanding this influences our SES). This is also particularly evident in rural areas where there can be more variation in the income level of people in the same street/area.

- Do students attending local non-government schools from an SA1 have similar characteristics, or the actual student SES circumstance influences the specific non-government school they attend.
- All non-government school educate students with additional needs, the formula needs to reflect the group of students who do not always qualify for special needs funding.
- Students and families in regional/rural areas can be disadvantaged by statistical addresses not matching the SES score as they are quite diverse, thereby they do not receive the support they really need. (Transient Areas have large student numbers coming and going. School SES Score changes regularly and can have a wide variation from year to year. This makes it a very complex funding model.)
- Family size is likely to affect the capacity of families to contribute to their child's education and this is not taken into account.
- Rapid enrolment growth in a school is not reflected quickly enough to change the funding model.

2. **What refinements or alternative methodologies could be considered to improve on the current SES measure, including how frequently should measures be updated?**
    - The process overall needs to be simplified to allow easy tracking and understanding of the principles behind funding
    - Education and Occupation needs to be explored further in relation to the income that is present as a determiner of weighting. (Does 1/3 for each give accuracy of a parent's capacity to contribute)
    - What consideration and alignment is taken into account when collecting the Family Occupation Groups Data "School Family Occupation Index' that we submit each year. Will this data be taken into account when factoring any new SES scores for schools?
    - A fit for purpose measure of capacity to contribute needs careful consideration and development
    - The 5-year data gathering tool is not consistent or accurate enough in modern times. Circumstances, salaries and conditions change regularly and need to be represented on a more regular cycle (e.g. every 2 years)

      Example: (In The NT, this could almost be every year the ICSEA score for the last 5 years are 2016 – 1077 2015 – 1080 2014 – 1068 2013- 1079 2012 - 1037 2011 -1008 (my school website) huge variations in finance score within a short time.)
    - Establish a clear guideline on who in the school community contributes and what financial resources the school does or does not have.
      (VIC Example: Does the SES align with Health Care Card Holders. How will systems (eg CEO's) support schools. A situation this year when seeking support for special funding in regard to getting our children to and from school by bus. We have an SES score of 94. The system assumes that we must have many parents on Health Care Cards. The situation for us is that we only have a handful of Parents on Health Care Cards. Our families are low socio but work in lower paying jobs, not eligible for Health Care Cards. The bus service is essential. If we stop that service our families will move to the local state school which is on adjoining grounds and has a free fully funded bus service) In the longer term more pressure might be put on schools to increasingly find their own funds when they do not have the capacity to do so.
    - Explore other ways to access data as well as the Census to give a more accurate picture? Parents, Labour/work forums etc. A mixture is needed to be confident of accuracy and reliability.

3. Are the guiding principles appropriate to assess alternative approaches or are there other principles that should be considered?

The guiding principles need to be simple, fair and equitable to allow real needs-based funding to occur;

- ***simple design***
- ***accurate information***
- ***parent's true capacity to pay based on location/income***
- ***reliable data***
- ***flexible over time and 'in time'***
- ***fit for purpose***
- ***public confidence***
- ***no added stress or work for schools***
- ***easy to understand by all***
- ***up to date all the time***
- ***stability and certainty.***

Other questions

Will there be transition funding should the new SES calculation attract a significant funding deficit when compared to the current SES score methodology?