

Catholic Education Tasmania

Stakeholder type: Approved system authority

Jurisdiction: Tasmania

Submission

1. Introduction - Tasmanian Catholic Schools

Catholic Education Tasmania (CET) is pleased to have the opportunity to attend a meeting with the National School Resourcing Board (NSRB) to inform its review of needs-based funding requirements.

The information presented at this meeting and captured in this document, is intended to be complementary to the submission made by the National Catholic Education Commission (NCEC).

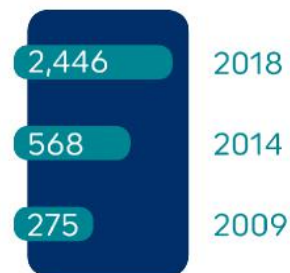
CET operates 38 systemic Catholic schools in the Archdiocese of Hobart and educates over 16,000 students. Schools range in size from 54 students to 1,421 students. Many schools are centred around the major population areas in Tasmania but CET also supports schools on the West Coast and as far away as Smithton on the North West Coast.

Distribution of CET schools



Our students and families are from all backgrounds - Catholic, non-Catholic, socially advantaged and disadvantaged, indigenous and those with a disability. Enrolment of students with a disability and indigenous students has significantly increased in the last 5 years.

Students with Disability in Catholic Schools in Tasmania



Student Database 2018
TCEO Annual Report 2009

We employ over 2400 staff making Catholic education the second largest private employer in Tasmania second to the University of Tasmania, and therefore a significant contributor to the state's economy and social fabric.

Tasmanian Catholic schools have a preferential obligation to the poor and marginalised:

- No child is denied a Catholic education because of their family's financial situation
- No fees for Humanitarian students for the first 3 years
- St Francis Flexible Learning Centre charges no fees
- Over 55 % of our students are in the lowest two socio-economic quartiles
- At 10 of our schools 70% of students are in the lowest two socio-economic quartiles

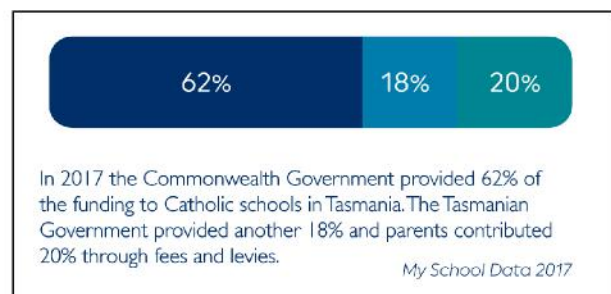
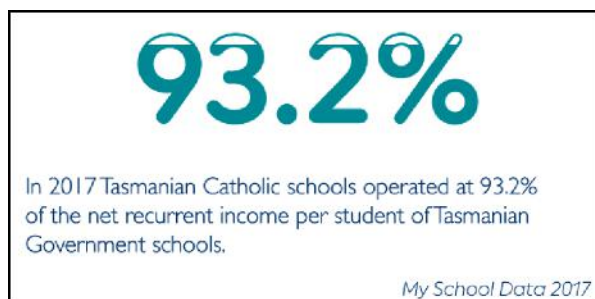
Catholic Education Tasmania (CET) is a term used to denote all Catholic Education agencies and committees and comprises the Catholic Education Commission Tasmania (CECT), the Tasmanian Catholic Education Office (TCEO) and the 38 Catholic Schools and Colleges. In the past two years CET has undergone significant governance reforms to further enhance levels of accountability and local engagement. A new model of governance came into effect on 1 January 2019 with an established structure of governing bodies, school boards and working groups that all serve the Catholic Church in Tasmania.

2. Financial Accountability and Funding Models

The Catholic Education Commission Tasmania (CECT) is the funding recipient for all Commonwealth and State government education grant funds on behalf of all Catholic Schools and Colleges in Tasmania. The CECT is the Approved Authority for funding purposes and conducts all negotiations with State and Commonwealth Governments in conjunction with the National Catholic Education Commission (NCEC). The CECT exercises a financial governance role over the Tasmanian Catholic Education Office, approves the budget and oversees financial management, resourcing and sustainability. The CECT has provided delegated authority to the Tasmanian Catholic Education Office (TCEO) to administer funding to schools on its behalf, according to approved funding models.

All Catholic Schools and Colleges in Tasmania are systemic, meaning they are all funded through the CECT as the Approved Authority. There are 38 Catholic Schools and Colleges in Tasmania divided into three funding categories: the Direct Funded Schools comprising 10 Colleges funded under a direct allocation method; the Shared Funded Schools made up of 27 schools (of which 24 are primary schools and 3 have a secondary component) funded under a shared budget model; and 1 special assistance school that receives all grant funds as they are attracted.¹

On behalf of the CECT, all Catholic schools in Tasmania are regulated in many operational and managerial areas by the TCEO. Budgets are approved under specific governance arrangements and consolidated information on viability and resourcing indicators is gathered and reported. Schools and Colleges are also advised regarding resource planning and financial management.



¹ A list of Catholic in Tasmania is provided in Appendix 1

3. Quality Schools Funding

Commonwealth Government Quality Schools Funding is comprised of seven components: Base funding; three School Loadings (Location, Size and Low SES); and three Student Loadings (Aboriginal & Torres Strait Islander (ATSI), English Language Proficiency (ELP), and Students with Disability (SWD)). The terms School Loading and Student Loading are ones used by CET to describe the treatment of these funding amounts as they flow into funding models.

State Government Recurrent Funding is provided on the same basis, with the Tasmanian Department of Education using the Commonwealth Funding Estimation Tool to calculate the quantum of funding to be paid by the State Government.

In accordance with CECT policy, Base funding and the three School Loadings are allocated to the two funding models for Direct Funded Schools and Shared Funded Schools. The funding for the three Student Loadings is retained by the TCEO and administered as 'Allocated per Student grants'.

Funding received on behalf of one special assistance school (St Francis Flexible Learning Centre) is passed directly onto the school in full.

4. Socio-Economic Need and Socio-Educational Advantage

SES scores for Tasmanian Catholic schools range from 78 to 102, based on the 2016 Australian Bureau of Statistics collection. The average SES for CET schools reduced from 94.6 to 93.3 in the 2016 collection. CET has the lowest average SES of all Catholic Approved Authorities across Australia. ICSEA scores, on which the Low SES Loading is based, are also low on average, evidenced by the value of this loading that represents 10.4% of total recurrent funding from Government. Tasmanian Catholic schools are different in many respects to our mainland counterparts because of this high socio-educational need and this has led to fees that are historically lower on average than all other Catholic systems across Australia, by a methodology that has deliberately matched the SES score of the school to the fee expectation from parents.

Table 1:

SES Scores for CET schools—2016 ABS Collection

Lowest SES Score	Highest SES Score	Average SES – All schools
St Pauls, Bridgewater	Mount Carmel, Sandy Bay	
	St Aloysius, Kingston	
SES of 78	SES of 102	SES of 93.3

Table 2:

Shared Funded School Fee Band Model

SES Band	SES Range	Fees Charged—2019
Band 5	SES 82 or less	\$1,190–\$1,410
Band 4	SES 83–87	\$1,480–\$1,695
Band 3	SES 88–91	\$1,565–\$1,780
Band 2	SES 92–96	\$1,710–\$2,005
Band 1	SES 97 or more	\$1,865–\$2,090

5. Current Funding Models and School Loadings

The size of schools varies greatly across the State. The smallest school has 54 students from Kindergarten to Grade 6 and is located on the West Coast of Tasmania. One half of the 38 CET schools have less than 300 students. Tasmanian Catholic schools are widely dispersed across the State, ensuring quality education alternatives in small and remote communities. The size and location loadings are significant sources of funding, representing 8.5% of total recurrent funding to CET.

Two distinct funding models operate to distribute government grants to schools. One is a co-responsibility model for primary schools where small, isolated and low SES schools are supported to ensure viability. The other is a direct funding model where Colleges provide for some centralised expenditure but, in the main, receive their funding as it is attracted.

It was evident to CET when establishing and then reviewing funding models, that the size loading is insufficient to ensure the viability of our smallest schools, with significant redistribution of funding within the co-responsibility funding model to ensure these schools remain open. It is no surprise that Independent schools, including Independent Catholic schools, do not operate in most of the regional and remote areas of Australia.

The following table shows the impact of this redistribution of funding over and above the size loading and illustrates the advantages of operating as a 'system' of schools to allow these small and remote schools to remain viable.

Table 3:

Example of redistribution for small schools

School	Government Funding attracted per student	Government Funding allocated per student	Total Expenditure per student	School description
Holy Rosary, Claremont	\$12,246	\$10,761	\$10,915	399 students, metropolitan (regional), SES of 88
St Joseph's, Rosebery	\$17,961	\$23,964	\$22,070	52 students, remote, SES of 83

It is evident that metropolitan, two stream schools in our system are required to subsidise small, remote schools in order for these schools to remain open.

6. Catholic Education Tasmania Funding Principles

The Catholic Education Commission Tasmania advocates for sustainable and equitable funding arrangements that reflect the principles outlined below:

Principle 1: Funding Equity

Equity requires that

- a) Catholic Education Tasmania has a funding model that guarantees equitable access to Commonwealth and State funding; recurrent, targeted and capital.
- b) Catholic Education Tasmania receives funding that meets the needs of students from all backgrounds, recognising the significant disadvantage in terms of the low socio-economic status of students, regional and remote communities and the ever increasing numbers of students with disability and from indigenous backgrounds.
- c) Catholic Education Tasmania transitions toward full funding, according to need.
- d) The value of grants from Commonwealth and State Governments is at least maintained and reflects the real increase in the cost of education and the capital expenditure needed to ensure intergenerational equity.
- e) Catholic Education Tasmania has the capacity to allocate funding to schools according to assessed local need.

Principle 2: Funding Certainty

Certainty requires that

- a) Catholic Education Tasmania has secure, guaranteed funding that is stable and predictable in order to provide quality outcomes for students.
- b) Catholic Education Tasmania has funding certainty that is enshrined in legislation.

Principle 3: A Fair Allocative Mechanism

The school funding mechanism must guarantee that

- a) Funding allocations to schools and colleges are based on reliable and objective data and a transparent mechanism that reflects cost structures in schools and colleges.
- b) Funding for students with additional need, including SES, location, and student learning needs, is fair and identifiable.
- c) All schools and colleges are eligible, on a needs basis, for Commonwealth and State Government capital support that recognises their contribution to community.

Principle 4: System Funding and System Autonomy

System autonomy means that

- a) Catholic Education Tasmania needs continued recognition of the benefits of systems in education from both Commonwealth and State Government.
- b) Catholic Education Tasmania maintains system autonomy over funding distribution and expenditure in future funding models.
- c) Catholic Education Tasmania supports appropriate and meaningful reporting around its internal allocative mechanisms for distributing funds to schools.
- d) Some flexibility may be essential in the application of funding attracted to address locally identified needs.

Principle 5: Accountability and Transparency

Accountability and transparency mean that

- a) Catholic Education Tasmania publicly accounts for the allocation and expenditure of government funds in a transparent, coherent and comparable manner.
- b) Catholic Education Tasmania reports on agreed national measures, using comparable data.
- c) Catholic Education Tasmania continues to meet agreed accountability requirements to governments, parents and carers, and the Church community.

These funding principles will be used to address the matters raised in the NSRB, Review of needs-based funding requirements, Issues Paper and to answer the six questions raised in that paper.

Response to Questions

Question 1: System Autonomy and flexibility for needs-based funding requirements

In December 2013, at the time of adopting the 2014 funding arrangements as recommended by the 2011 *Review of Funding for Schooling*, the CECT entered into an approved system arrangement with the Australian Government, given that the Education Minister at that time was satisfied that the CECT complied with arrangements relating to needs-based funding requirements and implementation plans as provided for in the Act.

The letter from the Deputy Secretary Martin Hehir stated, “The department recognises the TCEO will maintain autonomy over funding distribution within its system in accordance with the requirements of the Act.”

It must be said that even before the implementation of the Gonski review outcomes, CET had funding models that were based on school need, including size, location and low SES. It is very apparent to anyone that has worked in school funding that these elements add both cost and complexity to the operational aspects of schools. At a governance level it is the system authorities that know their schools and their needs and are best equipped to allocate funding where it will improve student outcomes the most.

As mentioned previously in this paper, the 2011 *Review of Funding for Schooling* developed school loadings that were a starting point and were certainly indicative of need in schools. However, these loadings were, in the main, to be tested and reviewed to ensure adequacy and equity. As indicated above, it is evident that the size loading is inadequate for very small schools. In order to supplement this loading, it is necessary to take funding from the per student amount or base. It is necessary to allocate base funding from other schools to ensure the viability of our smallest schools.

The view of CET is that the per student base amount and the size, location and low SES loadings should be used by system authorities as a pool of funds to allocate to schools based on need, at the same time ensuring that consideration is given to these elements in any funding formula, and to allocate funding for any other factors that are seen as crucial to the sustainability of schools. The flexibility granted should allow System Authorities to combine the base funding plus these three loadings without too much regard for the actual quantum of the loading amounts as these are not necessarily indicative of the need at all schools.

Question 2: Level of prescription required by Government

CET believes that funding for individual students that is attracted directly because of aspects such as indigeneity or disability should be directed to these students or toward services provided on their behalf. When the CET funding models were first developed, loadings for ATSI, SWD and ELP were excluded because of the recognition that these loadings should, as far as possible, be directed toward improving educational outcomes for these students. ATSI, SWD and ELP funding are all quarantined, retained centrally and paid to schools on a per capita basis to be used to address the needs of these specific students.

In terms of the level of prescription for the other elements of the funding arrangements, reference should be made to Question 1. The factors funded through the Commonwealth and State arrangements for the base and school loadings should be included in the funding elements by any system authority but it is these system networks that work with and on behalf of Catholic school systems that understand the needs of these schools and are best placed to fund them on this basis.

Question 3: Additional guidance and the form this should take

As stated earlier in this paper, all Catholic schools in Tasmania are systemic. The CECT recognises and appreciates the support and flexibility under the Act to allocate funding to schools according to the needs of schools and their local communities. In the original 2011 *Review of Funding for Schooling* the benefits of systems was recognised and commended.

The CECT believes that there should be a certain prescription with regard to funding distribution as outlined in answer to Questions 1 and 2 and that if applied, this prescribed allocation should apply to all sectors and not just non-Government school systems.

It should be recognised that this viewpoint is particular to CET where the SES and therefore Capacity to Contribute does not lead to highly inflated fee expectations from parents. The balance between fees charged and government funding received would be significantly more difficult to manage for 'high SES' Catholic systems.

One additional factor to be considered is the centralised expenditure that occurs in systems of schools. School communities recognise the value of a co-responsibility and common good approach to facilitating economies of scale in the employment of staff and the deployment of shared services.

Question 4: Balance of prescription and flexibility for assessing compliance

This has been covered in Questions 1–3.

Question 5: Level of transparency required to enable accountability

The fifth funding principle for the CECT relates to accountability and transparency. CET accounts for the allocation and expenditure of government funds as required through the Australian Government Financial Questionnaire process and by reporting to the Australian Charities and Not-for-Profits Commission (ACNC). We also report on agreed national measures through the provision of financial data, reported on the My School website.

In addition to the extensive reporting to Government, CET also reports to: our community of Principals by way of financial indicators that show clearly the redistribution of funding to schools; School Boards and communities by way of annual Community Reports; and governance bodies by way of audited financial statements and the TCEO Annual Report. Funding models are explored with these groups and are established following a wide consultative process and after much discernment regarding accountability and equity of funding.

The CECT supports funding transparency by all school sectors. Our funding models are publicly available on the CET website. The CECT believes that public accountability for education funding is now higher than ever and despite the proposal from the ACNC to ensure 'Red Tape Reduction' this is certainly not apparent for non-Government schools.

Question 6: Acceptable approaches to make needs-based funding arrangements publicly available

CET provides digital access to the *Needs Based Funding Arrangements* document on the Tasmanian Catholic Education Office website at <https://catholic.tas.edu.au/catholic-education-commission-tasmania>.

For any family that does not have access to this document by digital means, it can be printed at school offices and provided to them. This approach is considered reasonable and acceptable.

APPENDIX 1

TASMANIAN CATHOLIC SCHOOLS AND COLLEGES

Direct Funded Schools Funding Model

Dominic College

Guilford Young College

MacKillop Catholic College

Marist Regional College

Mount Carmel College

Sacred Heart College

St Brendan-Shaw College

St Mary's College

St Patrick's College

St Virgil's College

Shared Funded Schools Funding Model

Corpus Christi Catholic School

Holy Rosary Catholic School

Immaculate Heart of Mary School

John Paul II Catholic School

Larmenier Catholic School

Our Lady of Lourdes Catholic School

Our Lady of Mercy Catholic School

Sacred Heart Catholic School, Geeveston

Sacred Heart Catholic School, Launceston

Sacred Heart Catholic School, Ulverstone

St Aloysius Catholic College

St Anthony's Catholic School

St Brigid's Catholic School, New Norfolk

St Brigid's Catholic School, Wynyard

St Cuthbert's Catholic School

St Finn Barr's Catholic Primary School

St James' Catholic College

St John's Catholic School

St Joseph's Catholic School, Queenstown

St Joseph's Catholic School, Rosebery

St Patrick's Catholic School, Latrobe

St Paul's Catholic School

St Peter Chanel Catholic School

St Therese's Catholic School

St Thomas More's Catholic School

Star of the Sea Catholic College

Stella Maris Catholic School

Special Assistance School

St Francis Flexible Learning Centre