

Review of needs-based funding requirements 2019—public submission

Queensland Department of Education

Stakeholder type: Approved system authority

Jurisdiction: Queensland

Summary

The Queensland Government supports the provision of funding that addresses educational need and has demonstrated a long-standing commitment to providing such funding to its schools.

However, the Queensland Government does not support any level of prescription by the Federal Government in relation to needs-based funding arrangements. This represents an inappropriate overreach into the state's constitutional responsibility for delivering education through government schools. Despite being the minority funder of government schools, the Federal Government developed the needs-based funding requirements under the AEA without adequate consultation with states and territories.

The Queensland Government already understands the importance of targeting investment to drive improvements in education outcomes and is achieving sustained improvements over time. Prescription by another level of government that does not itself deliver schooling and is not aware of local factors, and extends to how the state allocates its own resourcing, is not appropriate and may result in resources being directed in a way that is ineffective and/or inefficient.

In particular, the Queensland Government would not support a requirement to replicate the per student base plus loadings model used by the Federal Government to determine funding allocations to ASAs, in distributing funding to government schools.

States and territories are already subject to a range of accountability mechanisms in relation to school funding, and public funding more broadly. Information on the

Queensland Government's existing resource allocation arrangements is publicly available.

Submission

What are desirable levels of flexibility for needs-based funding requirements—are there different levels of flexibility that could be applied to the per student amount and loadings?

The Australian Education Act 2013 (AEA) is sufficiently broad to allow for different approaches to be taken by approved system authorities (ASAs) in allocating funding to schools.

As education system managers with the constitutional responsibility for delivering school education, it is the Queensland Government's view that ASAs should be afforded maximum flexibility to allocate funding to schools within their system as they deem appropriate.

Queensland is a large state with a geographically dispersed student population spread across government and non-government (Catholic and Independent) schooling sectors. Approximately 58 per cent of Queensland schools operate outside major cities and approximately 27 percent of all Queensland schools have fewer than 100 students. Queensland schools have the second largest Indigenous student cohort in the country. From 2015 to 2018, Indigenous student enrolments (full and part-time) in Queensland schools grew by 11.5 per cent compared to 3.4 per cent for all students in Queensland.

It is critical that Section 78 of the AEA be interpreted in a way that enables Queensland Government to continue to distribute funding to government schools according to its own needs-based resource allocation

arrangements, which are designed to address the particular issues faced by these schools and their students across the state.

Based on our analysis, Queensland Government's existing resource allocation arrangements for government schools already align with Section 78(5) (a) to (c) of the AEA. They recognise that allocations stem from pooled federal and state funding (as well as other income sources), and have to meet the needs of various school and student types, different schooling contexts and different resourcing types.

These arrangements provide for:

- financial resourcing (from a mix of federal and state funding) to be paid directly to government schools through a range of school appropriation models;
- a mix of staffing and other resources, for example broadband networks, corporate services provision and a wide range of other resource types (not just funding);
- staffing resources to be allocated through models with base and needs components;
- needs-based components embedded in a specific funding formula (e.g. needs loadings in the Investing for Success funding formula), or directly targeting student need (e.g. staffing for students with disability allocated through the Students with Disability allocative model);
- depending on the nature of the funding/resources, direct provision to schools (e.g. classroom teachers) or school clusters (e.g. instrumental music teachers/instructors), regional allocative processes (e.g. therapists), or central provision (e.g. infrastructure and information technology are mostly centrally provided);
- pooling of resources to maximise efficiency in delivery of education whilst supporting education outcomes (e.g. staffing resources funded from a mix of federal and state funding, including some resources shared within school clusters as above)
- autonomy for schools to further adjust their own resource allocation mix to best suit local needs and respond to the specific educational requirements of their local communities; and
- a proportion of funding being used for system costs rather than allocated directly to schools.

Categories of disadvantage covered by Queensland Government's resourcing framework closely align with the six areas of additional need identified in section 78(5) of the AEA. They include: students with disability; Indigenous students; low socio-economic status (SES) schools; migrant and Indigenous students for whom English is not their main language; and school location and size.

The Queensland Government also provides additional funding to address other areas of disadvantage, including:

- refugee students, especially those with complex learning, social and psychological needs;
- students in out-of-home care;
- students at risk of or on suspension;
- students attending hospital schools;
- students identified through school monitoring and assessment data as needing additional literacy and/or numeracy support.

Over time, other/different needs may emerge across the education system. As a responsible system manager, the Queensland Government would seek to be responsive to these and fund government schools accordingly (even if these areas of need were not listed in Section 78 of the AEA).

More detail on Queensland Government's resource allocation arrangements can be accessed in online school appropriation profiles and Staffing Allocation Guidelines which are available on request from the Department of Education.

Queensland Government would not support a requirement to adopt the exact per student base plus loadings model used by the Federal Government to determine funding allocations to ASAs. While this approach may be suitable for use by the Federal Government in calculation of funding entitlements under the AEA, there are other factors ASAs may wish to take into account when distributing funding or other resources across the schooling system (noted above). The current system of pooling federal and state funding for distribution to government schools is effective and has supported the achievement of improved education outcomes for Queensland students.

If the Queensland Government was forced to make major changes to its state school resourcing methodology (e.g. to exactly reflect the Federal Government's SRS model) this would have significant implications. An extensive lead in time would be required to dismantle the current systemic provision of staffing, infrastructure and other resources and develop the new system. It would necessitate industrial relations negotiations, be dependent on cultural and technical changes within the system and schools and may increase administrative burden at the school and system levels. Providing all school resourcing in the form of a single funding appropriation would place greater responsibility on schools to manage and account for their resourcing, with increased system-level monitoring required to manage and mitigate potential risks such as fraud or misuse of funds.

It is not appropriate to seek consistency in all aspects of school funding arrangements across jurisdictions. Each ASA has developed unique funding distribution arrangements that respond to the needs of their students, schools and communities. The Queensland Government prefers to focus on reforms that will improve student outcomes. Seeking greater consistency in state resource allocation arrangements by creating prescriptive requirements in relation to s 78(5) AEA would not, in the Queensland Government's view, contribute to achievement of educational outcomes.

What level of prescription by the Australian Government regarding needs-based funding arrangements may reasonably be required and is possible? / What is the right balance of prescription and flexibility for assessing compliance with needs-based funding requirements and why?

The Queensland Government does not support any level of prescription by the Federal Government in relation to needs-based funding arrangements.

It is inappropriate for AEA requirements developed unilaterally by the Federal Government to impact disproportionately on ASAs' resource allocation arrangements, particularly given these include allocation of state resources. The Federal Government developed these requirements without adequate consultation with states and territories, despite the fact that states and territories are constitutionally responsible for delivery of education through government schools and provide the majority of funding for these schools.

The Queensland Government understands the importance of targeting investment to drive improvements in education outcomes, and believes that such prescription has the potential to limit the state's ability to effectively distribute funding to its schools. In this state, funding targeted to evidence-based, locally-driven solutions has had a positive impact on student outcomes. Queensland has been a stand-out improver in terms of education results in recent years. In part, this is because we have targeted our investment based on evidence about what works at the local level.

Between 2008 and 2018, Queensland students improved in 16 out of 20 NAPLAN test areas. Contributing to these gains has been continuity in funding and the flexibility to make locally appropriate strategic decisions about how to spend resources to achieve results. Levels of Queensland Certificate of Education and Queensland Certificate of Individual Achievement Certification have increased over the last five years to 97 per cent in 2018 in all areas of Queensland, including inner and outer regional and remote and very remote regions. A key success for Queensland government schools is that the gap in certification for Indigenous students continues to be less than one percentage point.

To ensure that the demand is met in our most vulnerable and high needs rural, remote and Indigenous communities, the Queensland Government has committed to incentivising high quality teachers and school

leaders to work in the schools within these communities. For example, in recent negotiations for a proposed replacement Teachers Certified Agreement 2019 the Queensland Government has reached 'in-principle' agreement for new incentives for beginning teachers in rural and remote locations. This will in turn ensure that students in these communities and schools have the same opportunities as students in metropolitan schools to thrive, grow and succeed.

This is in addition to other improvements the Department of Education is making to employee housing in rural and remote locations through refurbishments and internet enablement.

The Federal Government should recognise ASAs are best placed to determine how to allocate funding to their schools, consistent with the general principles outlined in the Review of Funding for Schooling Final Report (2011) of ensuring that systems address educational disadvantage and are responsive to need. At most, to be compliant with section 78 of the AEA, ASAs would demonstrate they have in place arrangements that provide base levels of funding/resourcing and additional funding/resourcing that address the areas of educational disadvantage identified in the AEA.

If any further level of prescription was to be applied, this should take into account the diverse circumstances of each state/territory. Prescription of per student base and loading amounts are not supported by the Queensland Government given that it would reduce our flexibility to implement evidence-based, locally-driven solutions through funding and resourcing arrangements.

It will be important to avoid unintended consequences for ASAs as a result of any NSRB findings in relation to compliance. The AEA provides for the Federal Government to impose financial sanctions against ASAs if they do not comply with policy and funding requirements in the AEA. There is a risk that adverse findings by the NSRB on a review of compliance with needs-based funding requirements could result in financial sanctions that limit the ASA's ability to provide funding to those who most need it.

What additional guidance may be necessary and what form should it take?

The Queensland Government would support additional guidance which:

- recognises the role of states and territories under the Commonwealth of Australia Constitution Act to deliver education;
- acknowledges that under the principle of subsidiarity states and territories are best placed to make decisions about allocation of resources to government schools;
- acknowledges that states and territories provide the majority of public funding for government schools, with the Federal Government providing supplementary funding assistance in accordance with its limited role;
- confirms that ASAs have discretion within broad parameters to implement needs-based funding arrangements that meet the needs of their jurisdiction;
- states that distribution arrangements that provide a base level of funding or resourcing for all schools and additional funding or resourcing for identified areas of need will be considered compliant;
- confirms that system authorities are not required to strictly adhere to the SRS base and loadings approach taken by the Federal Government when allocating funding and resources to schools; and
- summarises the diverse types of needs-based resourcing arrangements that ASAs already have in place and where to find additional information on these arrangements.

This advice could take the form of a fact sheet issued by the Federal Government. It should not take the form of a legislative instrument or policy guidelines.

What level of transparency is required to effectively enable accountability of approved system authorities?

The Queensland Government is directly accountable to the people of Queensland through the Queensland Parliament for delivery of education through government schools.

States and territories are already subject to a number of accountability mechanisms in relation to school funding. These include:

- the Report on Government Services (RoGS), which reports recurrent expenditure of government and non-government schools by the Federal and state/territory governments;
- transparency of funding for all schools on My School, including a breakdown of capital expenditure and recurrent funding for each school from the Federal Government and state/territory governments for each calendar year; and
- the National Report on Schooling in Australia, which addresses the eight areas of commitment in the Melbourne Declaration and reports against nationally agreed key performance measures for schooling.

The Queensland Government's accountability through Parliament and the above reporting mechanisms provide a sufficient level of transparency and accountability in relation to school funding.

Notably, Queensland Government's resource allocation arrangements for government schools were previously reviewed by the Federal Government during the 2010-11 Review of Funding for Schooling and deemed to be consistent with needs-based principles. In July 2013, the then Federal Minister of Education wrote to the Queensland Government advising that the Federal Government's analysis "indicates that most areas of identified student and schools need appear to be covered in your funding approach".

What are acceptable approaches for approved system authorities to make their needs-based funding arrangements publicly available?

There is already a high degree of transparency in relation to Queensland Government's resourcing arrangements through publicly available information (e.g. list of all school appropriations on the Department of Education website; Queensland Government's Bilateral Agreement under the National School Reform Agreement on the IGA FFR website; and funding information on the My School website). The Queensland Government will continue to provide the appropriate level of information needed to ensure transparency. As part of this commitment, the Queensland Department of Education has been developing a State Schools Resourcing Framework Guide to be released in the near future.

Members of the public should have online access to information on the government school resourcing arrangements in their state, with sufficient detail for a general understanding and links to further information on the funding and resource allocation models used by the state and various appropriations available to schools (both in terms of base levels of funding and allocations to address need). This information should also be available in hard copy on request for people who do not have Internet access.

The AEA and Queensland Government's Bilateral Agreement provide for funding to be measured at a system level. The Queensland Government would not support detailed individual school level data being made publicly available beyond what is already accessible through My School.

Queensland's government schools are currently resourced through a combination of central, regional and school level resources and funding. Making more detailed information publicly available at an individual school level would not assist potential users such as parents. It would be difficult to interpret as providing individual school level amounts would require the use of multiple assumptions about allocation of central and regional resourcing and funding. The additional administrative burden on the Department of Education to verify the accuracy of such information before publication could not be justified as the information would not be beneficial for potential users.