Review of Funding for Schooling
Response to Commissioned Research
Feasibility of a National Schooling
Recurrent Resource Standard

Independent Schools Victoria
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Executive Summary

The Review of Funding for Schooling Panel released its program of research, which consisted of four research papers. These papers are:

- Assessment of Current Process for Targeting of Schools Funding to Disadvantaged Students, prepared by the Australian Council for Educational Research
- Assessing Existing Funding Models for Schooling in Australia, prepared by Deloitte Access Economics
- Feasibility of a National Schooling Recurrent Resource Standard, prepared by the Allen Consulting Group
- Schooling Challenges and Opportunities, prepared by the Nous Group consortium.

These papers were intended to provide a greater insight into the existing funding mechanisms for primary and secondary education, across all jurisdictions within Australia.

For the purposes of this response, Independent Schools Victoria will review and respond to the report presented by the Allen Consulting Group. Feasibility of a National Schooling Recurrent Resource Standard was commissioned to examine the feasibility of creating and implementing a resource standard for schooling.

Independent Schools Victoria Review Fundamentals

Independent Schools Victoria is mindful that the Review of Funding for Schooling provides the first opportunity in nearly 40 years to test our understanding about how governments should support all students being educated in Australia.

From the commencement of the Review in April 2010, Independent Schools Victoria has ensured that its responses are informed and directed by its organisational principles. These principles state that Independent Schools Victoria:

- promotes the principle of choice in education
- champions the values of Independent schools
- promotes the development and protects the autonomy of its Member Schools
- works with the Australian and Victorian Governments on issues to achieve more equitable, choice-orientated and efficient means of funding students’ learning
- contributes to the development, implementation and evaluation of education policies to achieve quality education outcomes.

From these principles, Independent Schools Victoria established four funding fundamentals which underpin its response to the Review of Funding for Schooling on behalf of its Member Schools. These fundamentals are:

- that choice in education is defended in legislation
- that a freeze of funding on individual Independent schools is unacceptable
- that funding should be centred on students, not schools
- that personal or private contributions towards a child’s education should have no bearing on the level of funding they receive.

Independent Schools Victoria would need to be satisfied that any future funding model meets these fundamental criteria.

Feasibility of a National Schooling Recurrent Resource Standard

The report by the Allen Consulting Group, Feasibility of a National Schooling Recurrent Resource Standard, was comprehensive in its analysis of the issues surrounding the possible creation and implementation of a National Schooling Recurrent Resource Standard (NSRRS).

Independent Schools Victoria was pleased to note that many of the underlying principles outlined by the Allen Consulting Group are in accordance with comments made by Independent Schools Victoria in earlier submissions to the Review Panel.

However, Independent Schools Victoria was disappointed that the only clear recommendation made by the report was that it would be possible for a national resource standard to be developed. The report made no attempt to quantify such a standard. In addition, while the report made several observations about how such a standard might be linked to funding outcomes for schools, it failed to provide any recommendations about which of these options it preferred, and seriously under-estimated the complexity of undertaking such a task.

Independent Schools Victoria is unable to offer any definitive comments on the merit of implementing an NSRRS to guide funding for schools.

Independent Schools Victoria would strongly agree with the recommendation that the development of an NSRRS should be ‘undertaken using evidence-based and transparent analysis … allied with professional judgement … [and] overseen and undertaken at arms-length from government’ (p12), rather than being based simply on ‘decisions by the Australian Government’ (p12).

If the Review Panel intends to recommend the introduction of a national resource standard to the Australian Government, Independent Schools Victoria believes that it would be incumbent on the Australian Government to ensure that such work is completed in a timely manner with sufficient time provided to the public to assess and comment upon the proposal.
Scope and Terms of Reference
The Allen Consulting Group was invited by the Review Panel to address the following:

■ **Scope**

The Review Panel identified that the scope of the work would take place in two stages. The scope of the work in the first stage was to include:

- reviewing and critically assessing previous studies of school costs or resourcing standards, including relevant international research.
- investigating options for how existing statements of goals such as the Melbourne Declaration and COAG targets might be represented in an appropriate resource standard for quality schooling.
- considering the advantages and disadvantages of these options to form an assessment of which, if any, are feasible and merit further work.
- scoping and assessing the comparability and reliability of existing data that could be used for the purposes of setting a resource standard.

The second stage of the project would include:

- developing in more detail a standard preferred by the Review Panel.
- analysing data to make preliminary estimates of the level and cost of that standard.
- validating the approach and estimated levels of the standard against sample data based on close liaison with school systems and/or individual schools.
- developing a model to provide estimates of cost on a per student and in aggregate basis, taking into account both the base cost of educating all students as well as supplementary costs to meet specific additional needs if applicable.

The Allen Consulting Group indicated that its report would focus on the conceptual design and potential application of a national resource standard, as well as the methodology for estimating that standard, all of which were included in stage one of the project. Given that the focus of the Review is on funding for school education, Independent Schools Victoria was disappointed that the issue of developing a standard gave no consideration to the significant issues which would be involved if funding for schools was linked to the standard.

■ **Research Questions**

The project was expected to address a number of specific research questions, broadly placed under the following overarching avenues of query:

- What is the student outcome standard in schooling implied by the Melbourne Declaration and the National Education Agreement?
- Can a specific resource standard be specified?
- Which costs should be met by a schooling resource standard?
- How should the schooling resource standard be developed and applied?

Funding for our Future: 2013 and Beyond
In the initial Independent Schools Victoria submission to the Review of Funding for Schooling, two funding models were devised for consideration by the Review Panel:

■ **Portable Funding Allowance**

The Portable Funding Allowance (PFA) comprises a base component, topped up with evidence-based loadings for individual special needs. This would be available to government or non-government schools, who would treat all Australian students equally, regardless of their schooling sector.

■ **Community Based Funding**

Several concerns have been raised about the operation of the Socioeconomic (SES) Funding Model since its introduction in 2001. Independent Schools Victoria proposes an alternative funding model which aims to retain the key strengths of the existing model, while introducing variations that address some of the key criticisms. This has been labelled the Community Based Funding (CBF) model.

Independent Schools Victoria will also address the four main areas of student diversity in need of attention. These are:

- Students with a disability
- Students with a Language Background Other Than English (LBOTE)
- Indigeneity
- Rurality and Remoteness.

Importantly for this response, the Allen Consulting Group outlines one potential application of an NSRRS which is very similar in operation to the Portable Funding Allowance. In addition, the use of an NSRRS would be entirely consistent with the introduction of the Community Based Funding model, were the NSRRS to replace the Average Government School Recurrent Cost (AGSRC) as the peg upon which schools’ funding entitlements were hung. Independent Schools Victoria will address these issues in more detail later in this response.
More than 99 per cent of all students enrolled in the Independent sector attend an Independent Schools Victoria Member School. Independent Schools Victoria Member Schools are diverse in character, serving a range of different communities. Member Schools may provide religious or values-based education to students, or promote education philosophies or different interpretations of mainstream education.

Independent Schools Victoria celebrates and promotes the diversity of its Member Schools, the inalienable provision of choice in education, and the contribution that Independent schools make to their communities. Independent Schools Victoria continues to underpin all its activities with commonly understood and shared values embracing a commitment to quality outcomes for Victorian students.

Independent Schools Victoria is not a system authority managing schools, but a member association, providing professional services, and working to raise quality standards. Independent Schools Victoria represents the interests of Member Schools to governments and the community on a wide range of issues. Independent Schools Victoria maintains an active participation in and auspices the management of a number of government programs. These include:

- development of the Australian Curriculum
- Digital Education Revolution program
- National Assessment Program – Literacy and Numeracy (NAPLAN) testing
- My School website
- pursuit of the principles of the Melbourne Declaration.

Established in 1949, Independent Schools Victoria today represents, promotes the interests of, and provides services to 210 Member Schools, educating more than 129,000 students.

In recent years, Independent Schools Victoria has emerged and defined itself as a policy leader, underpinned by a strong research agenda, and an evidence-based approach to improvements and developments in the education sector. Independent Schools Victoria has been instrumental in innovative approaches to educational reform, has trialled and piloted several significant projects, and is now recognised as an important contributor to state, national and international educational thinking and practice.
Attempts to define a theoretical framework around which a national resource standard could be created are not new. As outlined on pages 17 and 18 of the report, several papers have been produced over the years that discuss the feasibility of introducing a national resource standard. Publications such as those by the Schools Resourcing Taskforce Secretariat of the then Ministerial Council for Education, Employment, Training and Youth Affairs (2005), and the publications by McMorrow and Connors (2010) and Keating (2010), all outline possible conceptual frameworks around which a national resource standard could be framed.

However, as evidenced by the use of such reports in the past, it is clear that the impact on schools is not so much affected by the theoretical framework of a standard, but on its implementation, and impact on funding for schools. The underlying concepts of the 2005 work were intrinsically linked to the infamous Latham ‘hit-list’ which would see government funding for many non-government schools reduced to zero.

The Australian Education Union claimed that the McMorrow and Connors paper provided evidence to support the reduction of Australian Government funding for non-government schools, reallocating it to government schools.

Independent Schools Victoria acknowledges that the creation of a national resource standard does not automatically lead to such outcomes for schools. Debate about the principles underlying a national resource standard and its applicability to funding should take place in the public domain to ensure that funding mechanisms are fair, equitable and accountable to the Australian public.

Definition

The report adopts the following definition of an NSRRS:

‘The level of resourcing per student from all sources that efficiently and effectively applied over time, would enable students attending schools serving communities with minimal levels of educational disadvantage the opportunity to meet agreed national educational outcomes’. (p7)

Further to this definition, the Allen Consulting Group recognises that an NSRRS would need to factor in the cost to schools of educating students who possess more than ‘minimal levels of educational disadvantage’. As such, the report recommends the calculation of a range of ‘loadings’ that would be applied to identify the cost of educating students with specific additional needs.

Were this concept to be extended to funding for schools, it is consistent with existing funding models, which are predicated on the concept of a base level of funding for all students, plus additional ‘needs funding’ for particular categories of students. The definition also recognises the basic cost that all schools incur in providing education to Australian students, regardless of the sector or state in which they are located.

There is a contradiction in the report: on one hand, it explicitly states that the Allen Group decided that it would not define the NSRRS as ‘the total resources estimate for a school of the per-student funding level and all of the loadings were applied’ (p7) using the rationale that the Allen Consulting Group believe this would be ‘simpler and more transparent for an NSRRS where the Australian Government is only a contributor to school funding’; while on the other hand (p8), they argue that the alternative definition is more appropriate for ‘a total schools funding model applied by jurisdictions or school systems to determine the total funding for each school’ (p8).

As a contribution to the Review of Funding for Schooling which is supposed to review funding for all schools from all sources, the Allen Consulting Group position is inadequate.

Recommendation

If an NSRRS is to be linked to all funding for all schools as part of any recommendation by the Review Panel, Independent Schools Victoria would recommend that the alternative definition be used, in that it refers explicitly to the loadings for student need, as well as to the base cost element.
Funding Principles

Chapter 3 of the Allen Consulting Group's report outlines in detail the principles that should be applied in the design of an NSRRS and the principles that should guide the development of such a resource standard, should it be determined that it would be developed.

Principles to be Applied in the Design of the NSRRS

■ The elements of the NSRRS should be transparent, defensible and equitable

Independent Schools Victoria would strongly agree with such sentiments. However, it should be noted that the definition of these terms can be quite loose, and require rigorous examination in practice.

■ The NSRRS should assist in developing a more consistent and sustainable national school funding framework

While Independent Schools Victoria agrees that a consistent and sustainable funding framework is desirable, there are concerns at the implicit criticism that the current funding framework fails to meet this test. The report indicates that its only focus is on Australian Government funding, and it excludes state and territory government funding from the process.

While it is clear that the funding for different sectors of schooling in different states and territories is inconsistent, in the sense that each jurisdiction has its own funding mechanisms, Australian Government funding for schools is fairly straightforward and consistent – non-government schools are largely funded under the SES Funding Model and government school funding is determined by the National Education Agreement.

■ The NSRRS and loadings should be set at a level that enables school outcomes to be achieved and improved over time, generally, and within individual schools

In principle, Independent Schools Victoria would agree with the fundamental principles of the statement, but would note that there are significant questions with regard to who would define what school outcomes would be, how they would be measured and what achievement of those outcomes would entail.

■ Performance levels linked to the NSRRS should be linked to both national policy goals and outcomes for individual students

While this is a laudable attempt to guide consideration of the development of any funding model, the application of that principle may be interpreted in many ways. Independent Schools Victoria believes that the current funding arrangements, in which Independent schools are required to use funding to meet the objectives of the Melbourne Declaration, but are free to make decisions at the school level as to how they use the funding to meet those objectives, should be maintained in any funding arrangements.

■ The NSRRS should be capable of application to all schools

Independent Schools Victoria agrees strongly with this sentiment, but would argue that a resource standard should actually be applied to all schools, and it should be applied on a consistent basis.

If the NSRRS is to apply equally to all schools, and is to be linked to schools’ funding outcomes, then it needs to be linked to all government funding sources – both the Australian Government and state and territory government funding. The development of a national resource standard would also need to measure schools’ resources in a consistent manner.

Independent Schools Victoria supports the comments in the Independent Schools Council of Australia (ISCA) submission, where grave concerns are highlighted regarding the comparability and quality of school financial data included on the My School website. This issue will be discussed in more detail later in this paper.

■ It should be possible to link the NSRRS to other policy interventions to improve school outcomes and accountability

It is unclear exactly what the Allen Consulting Group had in mind when they made this recommendation.

■ The NSRRS should be able to adapt over time

It is unclear exactly what the Allen Consulting Group had in mind when they made this recommendation.

Independent Schools Victoria would agree with the importance of ensuring that any funding model can adapt to changing circumstances. In particular, the Association would support the recommendation ‘that the value of an NSRRS is maintained through appropriate annual indexation arrangements and periodic adjustment’ (p11). However, Independent Schools Victoria would reject the suggestion by the Allen Consulting Group that indexation options such as the Consumer Price Index (CPI), the Labour Price Index (LPI) or a combination of the two might be used for annual indexation of schools. As the AGSRC has demonstrated, the cost of education has consistently risen at a higher rate than CPI or LPI. It is not appropriate that the indexation of an educational standard be linked to any indexation process that does not focus solely on educational costs.

Independent Schools Victoria would recommend that the adaptability of any funding model, and any indexation and recalculation arrangements be done only within the context of pre-agreed parameters, and based on independent evidence. This will ensure that they do not become subverted by political considerations or sectional interests.
Independent Schools Victoria would broadly support the use of these principles in guiding the development of any funding model. In addition, and as indicated in our previous submission to the Review Panel, Independent Schools Victoria would advocate that the following principles be considered when designing an NSRRS:
- that it should be centred on students, not schools
- that funding linked to an individual student should be transferable should that student change schools
- that its development and application be evidence-based
- that the data collected and used not be capable of manipulation by funding recipients
- that the standard include separate calculations for primary and secondary schools
- that it be developed by an agency that is independent of any provider of education services or education funding
- that its implementation should not lead to a decrease or a freeze of funding on individual schools
- that the calculation of funding received by schools not be determined by the personal or private contributions made by parents towards their children’s education.

Principles to Guide Development of the NSRRS Estimation Method

- Data should be available at the school level and, if relevant, at the system level, to establish outcome standards and calculate resourcing levels

In terms of practicality, Independent Schools Victoria accepts that data may be collected at the school or the system level when calculating the NSRRS. Nonetheless, any student-centred funding model would need to ensure that data was as close as possible to the individual student.

- The NSRRS should not be purely a theoretical model, and should be sufficiently robust to have practical application as either a benchmark funding standard, and/or to assist with resource allocation where agreed

There would seem to be little point in developing an NSRRS if it only existed as a thought experiment.

- The development and application of an NSRRS should not impose unreasonable new demands for data collection on schools and school systems

Independent Schools Victoria would agree very strongly with this sentiment. The level of accountability for Independent schools increases year on year. The focus of schools and school systems should be on meeting the educational needs of students, rather than on unnecessary and time-consuming bureaucratic processes.

- New or additional data collection should be considered, where this would improve the accuracy of the NSRRS

The process of developing the NSRRS should only proceed if the data used in its development is accurate and comparable between schools. As indicated above, the financial data currently included on the My School website is not comparable between schools in different jurisdictions and different sectors. As such, it seems inevitable that new or additional data would need to be collected, in order to ensure that the NSRRS was accurate. This would need to be balanced against the requirement that any new data collection process would not be onerous for schools.

- Estimation of the NSRRS should be transparent, and able to be comprehended by stakeholders

Independent Schools Victoria would strongly agree with this principle. The Association would note that the estimation of the NSRRS should be capable of both explanation and comprehension by the general public, as well as stakeholders.

- Estimates of the NSRRS and loadings should be based upon schools already attaining national policy goals and outcomes

Independent Schools Victoria would accept this principle.

- Development and implementation of the NSRRS should be possible within two years.

Independent Schools Victoria is concerned that the Allen Consulting Group describes this last principle as the only one that would be ‘fundamental’. The report indicates that ‘if development and implementation of the NSRRS was to take longer than two years, it is unlikely to survive the usual policy implementation/political cycle’ (p16).

In the experience of Independent Schools Victoria, the development of a funding model for schools is a long and complex process. The development of the SES Funding Model at the national level and the Victorian Financial Assistance Model for non-government schools both took several years of detailed work before they came to fruition. Independent Schools Victoria believes that the Allen Consulting Group has underestimated the length of time that it would take to develop a quality NSRRS that could be applied to schools’ funding, and is concerned at the implication that political considerations could override the development of an accurate funding framework, or that existing, poor-quality and incomparable data might be accepted as ‘good enough’ to ensure that an arbitrary timeline is met.

The Association fundamentally believes that the development of any funding model which is designed to meet the long-term goal of investing in the education of all Australian students should not be constrained by such considerations.

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1 The Allen Consulting Group notes that ‘an NSRRS should be built from the individual student level, but applied at the school level’ (Executive Summary, p x), but does not expand this concept further.

2 The Executive Summary of the report (p vi) does not note the importance of governments distinguishing between their role as purchasers of services and as providers of services.
Options for Developing an NSRRS

In outlining the possible options for developing an NSRRS, the Allen Consulting Group posed a number of key questions, and provides its recommendations in response to these questions.

Specification of a Student Outcome Standard

■ What measures should be used to specify a student outcome standard?

The report notes that funding models may rely on input and process standards to calculate funding allocations, as well as focusing on the outputs and outcomes delivered as a consequence of the funding. Other than noting that ‘most of the stakeholders consulted in technical discussions supported the use of a “student resource standard” that was output or outcome focused’ (p33), and that the creation of new, nationally collected outcome measures may require ‘significant changes in assessment and reporting practices’ (p34), the report does not state a position on those measures which it believes should be used in the creation of an NSRRS. Instead, the report recommends that:

National outcomes should be assessed using nationally available and consistent data. Where data is not available from national data sets, school level data based on consistent national definitions and evaluation processes should be used to validate outcomes from national data sets.

Independent Schools Victoria would agree with this recommendation, with the proviso that any data used must be evidence-based and truly consistent between schools in different jurisdictions and different sectors.

The Association would also support a funding focus being placed on the outputs and outcomes delivered as a consequence of funding, on the understanding that such outputs and outcomes were not so prescriptive that they prevented individual schools from implementing the curriculum that best meets the needs of their school community, or that the reporting requirements did not violate the principle outlined by the Allen Consulting Group that they not impose unreasonable new demands on schools.

■ What type of standard measure should a student outcome standard be based upon?

The Allen Consulting Group considered the use of three types of measures for the creation of an NSRRS: criterion-based measures, proportion-based measures and norm-based measures. The report recommended that:

The measure for a ‘student outcome standard’ should be based upon a criterion-based standard measure (or measures), while also incorporating proportion-based measures.

Like the Allen Consulting Group, Independent Schools Victoria would be concerned at the possibility of basing an NSRRS on norm-based measures. The Association would further recommend that any proportion-based or criterion-based measures be focused as much as possible at the individual student level.

■ Should the student outcome standard be adjusted, and if so, on what basis?

When considering whether the base NSRRS should be adjusted prior to any consideration being given to the application of loadings, the report considered the possibility of making jurisdiction-based, sector-based, school-based and/or student characteristics-based adjustments. The rationale for such adjustments would be on the basis that there are ‘a number of factors strongly related to student educational outcomes’ (p39), such as student SES, that need to be taken into account in the model. The Allen Consulting Group concluded that it would be more appropriate to fund any necessary school and student-based characteristics through the use of loadings on top of the base NSRRS, and recommended that:

The ‘student outcome standard’ should not be adjusted on the basis of school and student characteristics.

Nonetheless, the Allen Consulting Group did note its belief that the base NSRRS should ‘vary on the basis of student year level or age’ (p38).

Independent Schools Victoria would agree with the recommendation of the Allen Consulting Group that any variations to the NSRRS should be recognised through the loadings mechanisms, and that any calculation of a base rate should apply equally to all schools and to all students. As discussed at greater length in the Association’s response to the research papers released by the Australian Council for Educational Research (ACER) in Assessment of Current Process for Targeting of Schools Funding to Disadvantaged Students, and the Nous Group in Schooling Challenges and Opportunities, Independent Schools Victoria was pleased to note the recognition by the Allen Consulting Group that ‘the relationship between SES and educational outcomes is not clear cut, especially for individual students’ (p39).
Specification of an NSRRS

How should financial and non-financial resources be treated in an NSRRS?

The Allen Consulting Group correctly identifies that most work to date on school resources has focused purely on a very narrow definition of the resources available to schools, which only considers the direct funding received by them. The report considers whether an NSRRS should be based upon simply the financial resources available to schools, or whether it should also consider other resources. Based on the consideration that the measurement of school resources other than simple resources, such as financial inputs, would be difficult to achieve, the report recommends that:

The NSRRS should only consider financial resources, defined as all financial resources deployed by a school in the provision of a school education to students. Outside of the NSRRS, reporting and accountability arrangements should seek to identify how financial resources are deployed within schools, with a view to assessing how effectively schools use resources. Deployment of a NSRRS should link to other policy interventions, such as raising the quality of teaching.

Disappointingly, however, the report defines ‘other resources’ simply as ‘the resources that funding is able to purchase and the subsequent deployment of these resources’ (p45). Independent Schools Victoria is concerned that the proposed definition of school funding ignores some key non-financial resources of schools, particularly government schools.

In order to compare the level of resources in schools in different sectors, the model should take into account the non-price rationing mechanisms available to some government schools, such as the ability of selective government schools to exclude students and the ability of schools with closed neighbourhood zones to exclude students from lower SES areas.

Independent Schools Victoria is also concerned that the measure proposed by the Allen Consulting Group only considers the ability of schools to extract financial resources from their community, but does not consider the capacity of that community to support the school. By definition, schools that charge fees to parents have a higher capacity to achieve this. As stated above, one of the fundamental principles of this submission is that any personal or private contributions made by parents towards a child’s education should have no bearing on the level of government funding that they receive.

Given these concerns, the report also seeks to link inputs and outcomes outside of the parameters of the NSRRS. Independent Schools Victoria agrees with the findings of Hanushek that funding is ‘necessary but not sufficient’ in explaining differences in school performance. However, by excluding the issue of outputs from the NSRRS, the Allen Consulting Group assumes that funding is both necessary and sufficient.

In attempting to use financial inputs in order to measure outputs, the report is assuming comparability between schools, both in terms of the measurement of inputs and the achievement of outcomes. As such, the NSRRS does not appear to take into consideration that schools deliver different educational offerings, with different foci, and over different time periods. In order to achieve comparability, the development of an NSRRS would need to identify a group of core outputs which all schools should be required to achieve, and then strip out all of the financial resources which schools use for other purposes that add value to their students’ education.

Giving consideration to the measurement of comparable financial information, it is of particular concern, that the report recommends that any financial data used in the calculation of an NSRRS should be ‘consistent with My School financial data’ (p10). While the Allen Consulting Group recognises in its report that there are some ‘caveats’ with regard to the comparability of the financial data published on the My School website, it downplays these concerns when it states the understanding that, while ‘further adjustments and refinements to data will be required’ (p56), the website ‘largely addresses’ (p56) the problems of data comparability.

The report therefore concludes that ‘this data should be sufficiently robust for the purposes of an initial NSRRS estimation’ (p10). However, as indicated in the technical advice provided by Deloitte Touche Tohmatsu to the Australian Curriculum, Assessment and Reporting Authority (ACARA), there are several material limitations in comparing schools’ financial data using the My School methodology, all of which remain unresolved. Independent Schools Victoria would be opposed to the use of this data for the purposes of ‘an initial estimation’, let alone as the basis for an ongoing funding model.

At what level should an NSRRS be set?

In asking whether the NSRRS should be set at the school level or the individual student level, the Allen Consulting Group notes that it would make most sense to base the NSRRS at the level at which cost drivers reside. The report noted that the majority of cost drivers in schools would be at the school-level, but noted research conducted by the New South Wales Department of Education, which suggested that the concentration of disadvantage in individual schools may be a school-level cost driver that the model should consider. Nonetheless, the report recommended that:

An NSRRS should incorporate a level of resourcing that over time would provide students with the opportunity to meet agreed national educational outcomes, provide schools with the capacity to improve student outcomes, and have regard for the needs and capabilities of their student population. In this sense, an NSRRS should incorporate both student and school level resourcing components.

Independent Schools Victoria believes that arguments about the concentration of disadvantage and the perceived ‘residualisation’ of some (particularly government) schools have been overplayed. Independent Schools Victoria would recommend that an NSRRS be focused as much as possible at the student level, to ensure that it adequately meets the needs of all students, rather than just those who attend a small number of schools.

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The Association also believes that when loadings are determined, student and school characteristics should be considered in the Independent Schools Victoria does not support the inclusion of characteristics to which loadings should apply. Independent Schools Victoria would agree with the recommendation by the Allen Consulting Group that: The NSRRS should follow a ‘base-plus’ model, with loadings tied to the additional cost of students meeting educational standards. However, it should not be automatically assumed that schools which operate above the base of any base-plus model are automatically inefficient. Rather, the base-plus model should recognise the range of students for which schools cater and the range of services that schools offer to those students.

What characteristics should loadings apply to?

When determining those characteristics of students which should be included and funded through an additional loading, the Allen Consulting Group outlines characteristics at four possible levels: the student level, the school level, the community level and the system level (p51).

Independent Schools Victoria does not support the inclusion of community-level indicators such as the ‘financial and in-kind community support provided to the schools’ (p52). For this reason, the Association was heartened that the Allen Consulting Group determined that only: Student and school characteristics should be considered in the development of loadings to be applied to the NSRRS.

As indicated in the Independent Schools Victoria response to the ACER report Assessment of Current Process for Targeting of Schools Funding to Disadvantaged Students, the Association believes that issues of low socioeconomic status and concentration of disadvantage have been over-emphasised in several of the reports prepared for the Review Panel. Instead, there are four fundamental areas of student diversity which should be recognised as loadings were an NSRRS to be implemented:

- Students with a Disability/Disabilities
- Students with a Language Background Other Than English
- Indigeneity
- Rurality and Remoteness

The Association also believes that when loadings are determined, appropriate definitions and measurements must be applied. Independent Schools Victoria was alarmed that, in quoting the words of some stakeholders, the Allen Consulting Group’s report:

- referred to the Index of Community Socio-Educational Advantage (ICSEA) as a measure of socioeconomic disadvantage (p83).

As ACARA has consistently maintained, ICSEA was not designed as a measure of socioeconomic disadvantage, and it would be inappropriate to use it as such.

- claimed that government schools and Catholic schools were universal providers of education for students with disability (p53), without considering that many government schools introduce barriers that prevent ‘all comers’ from accessing them. This comment also fails to address the fact that low funding levels for students with disabilities in non-government schools are often a cause of low proportions of students with disabilities in non-government schools.

- indicated that the only group of students with a language background other than English who may require additional support were those for whom ‘at least one parent has only completed schooling up to Year 9 or below’ (p8). Independent Schools Victoria recognises that the issue of additional support for students with a language background other than English is a complex one, and maintains that more detailed research needs to be undertaken to determine the level of support that different students require in this area.

What sector(s) should be the source of data for developing an NSRRS?

In addressing the question of whether the ‘reference schools’ for the estimation of an NSRRS should be government schools only, or should include a representative sample of all Australian schools, the report concludes that, Both government and non-government schools should be the source of data for the development of a NSRRS.

However, the report expresses a concern that ‘highly resourced schools (largely funded through parent fees) have the potential to bias the estimate of an NSRRS, due to a higher expectation of standards within these schools’ (p57) and recommends that the calculation methodology ensure that such schools do not bias the process.

Independent Schools Victoria agrees that an NSRRS that is designed to apply equally to all Australian schools should include schools from all sectors in its calculation methodology. The Association also agrees with the Allen Consulting Group’s caution in seeking to ensure that the calculation process is not biased by the inclusion of any school, whether highly resourced or not. As outlined earlier in this submission, this would best be achieved by discounting the resources that schools utilise for providing differing educational opportunities to students, so that just the resources being used to provide the agreed base level of education are measured.

Costs Met by an NSRRS

Should an NSRRS be developed based on efficient costs?

When calculating an NSRRS, the Allen Consulting Group noted that the estimates could be based on either the efficient cost of ensuring that students meet a designated level of performance, or of the current, average cost of doing so.

The report was concerned that a model based upon existing average costs would build in inefficiency. By implication, such a model might cause schools that are currently performing efficiently to be perceived as underfunded. The report recommended that: A NSRRS should be based upon the efficient costs of effective schools. However, average costs should also be estimated so as to provide a comparator. As a starting point for estimation of the NSRRS, high performing schools should first be identified. These schools are considered to be ‘reference schools’.
However, the report noted that such a process would depend upon ‘agreement around a consistent, objective and fair measure of school performance’ (p60). As such, the measure of school performance would need to be constructed so that schools that achieve high performance and have access to higher resources are not deemed to be ‘inefficient’, as per figure 5.12, when their resources are in fact providing students with an education that is more than just meeting a basic definition of performance.

The measure would also need to be constructed so that it recognised that the ultimate aim of education funding is to improve individual student performance, not merely school performance.

What cost types should be met by an NSRRS?

Independent Schools Victoria disagrees with the recommendation made by the Allen Consulting Group that:

Subject to data availability, only school-level resources should be considered in the initial development of a NSRRS, with a provision for general maintenance and minor acquisitions also included. Further consideration should be given to options for the appropriate inclusion of a capital component of a NSRRS.

For non-systemic Independent schools, all resources are school-level resources. By recommending that the NSRRS ignore sector and system overhead costs, the report is guaranteeing that Independent schools will be found to have higher costs to achieve the same outcomes, and will therefore be deemed to be ‘inefficient’. By contrast, when excluding sector and system-level costs from the process, systems and sectors will have the potential ability to move the locus of costs between the school and the system/sector, depending upon whether it is in their interests to appear to have higher or lower resources at the school-level.

The recommendation that a capital component of the NSRRS be considered is also problematic, given the inherent difficulty in accurately comparing the capital resources available to schools. Careful consideration would need to be given to issues such as the measurement of the value of buildings and land, particularly when the existence of such physical assets are fundamental to a school’s operations.

Adjunct service costs of schooling

Given the previous comments in this submission about the importance of measuring all schools’ educational offerings on the same basis, it is heartening to note that the Allen Consulting Group uses the same logic when arguing against the inclusion of adjunct services in the NSRRS, where a school also meets costs associated with maintaining the health and welfare of students, or where a school experiences higher costs as a result of a remote location. The report recommends that:

The NSRRS should be set on the basis of a combination of individual student and school characteristics, with adjunct educational resource requirements separately identified (i.e. not part of the NSRRS).

Independent Schools Victoria has indicated previously that the additional costs based on school location should be recognised through a rurality and isolation loading, rather than as part of the base calculation, while the cost to a reference school of providing other adjunct services should be removed prior to estimating an NSRRS.

Development and Application of an NSRRS

Materiality threshold for loadings applied to the NSRRS

It is unclear what the Allen Consulting Group is recommending when they propose that:

Development of the NSRRS should seek to limit the number of loading factors through the application of a materiality threshold. The exact level of this threshold should be informed by analysis of the impact of different NSRRS options on individual schools. Initially, a materiality threshold of 10 per cent should be applied.

There are two possible interpretations: firstly, this section may be interpreted as referring to the number of loading factors through which an individual school may receive funding because of a concentration of students with needs that meet the loading categories; or secondly, the number of loading factors which are created in the first place.

If the former interpretation is correct, Independent Schools Victoria would strongly disagree with this position.

As previously discussed, funding should be targeted as far as possible at the student level, rather than the school level. Any model which does not provide support for all children with identified additional needs would be unacceptable.

Should the latter interpretation be adopted, Independent Schools Victoria could accept the report’s argument that, without a materiality threshold, the number of loadings available could proliferate to the point where the NSRRS becomes ‘overly complex and unwieldy’ (p66). However, the Association would agree more strongly with the report’s recommendation that ‘the exact level of this threshold should be informed by analysis’, rather than with the suggestion to implement what seems to be arbitrary 10 per cent materiality threshold.

Independent Schools Victoria would argue that it would be inappropriate to determine any materiality threshold prior to establishing the cost of a given loading. As a general principle, Independent Schools Victoria believes that it would make more sense to link the value of loadings to the cost of educating such students, whatever that cost may be.

In line with the ‘other principles’ outlined on page 18 of this report, Independent Schools Victoria agrees with the Allen Consulting Group that it is important to ensure that the definitions of any loading on the NSRRS are sufficiently clear, consistent and objective such that they do not permit schools or systems to incorrectly ‘classify students so as to attract additional funding’ (p66).
Application of loadings to the ‘base’ NSRRS level

The final recommendation in the report is that:

The application of loadings to individual school NSRRS levels should be tied to the achievement of agreed educational goals and outcomes, where possible. The specific time scale for achievement should also be considered.

Independent Schools Victoria would support the contention that any funding model should focus on the improvement of student’s learning outcomes. However, any funding model that was linked to outcomes would need to ensure that it provided funding both to assist schools that are struggling to meet those learning outcomes and to support those schools that are demonstrating student progress above any minimum requirements. Funding models should not act as a disincentive for schools to innovate or to extend students’ learning beyond any ‘narrowly and specifically defined’ outcomes (p67).

Potential Applications of an NSRRS

Chapter 6 of the Report outlines five possible applications for linking an NSRRS to funding outcomes for schools.

Allocation of financial resources to individual schools

The Allen Consulting Group raises a series of objections to using the NSRRS to underpin the resource allocation to individual schools. They note that this option would be ‘impractical and complex given the number and diversity of schools in Australia’ (p72), and that it would require Australian Government and state and territory government funding to be ‘pooled’ prior to being distributed to schools. Independent Schools Victoria fundamentally agrees that any funding model operating for both government and non-government schools would need to include funding from both the Australian Government and the state and territory governments. The Association would also agree that this task would be complex. However, Independent Schools Victoria does not agree that it automatically follows that such an exercise would be impractical, or that it should be discounted immediately as an option.

At the same time, the report also expresses concern that such a model would focus on the specification of financial inputs, rather than the achievement of outcomes. Given Independent Schools Victoria’s previous comments, regarding the focus of an NSRRS on schools’ financial resources, and our belief that personal or private contributions made towards a child’s education should have no bearing on the level of funding support that they receive, the Association would also oppose the introduction of a funding model that was based solely on schools’ existing financial resources, and which created a disincentive for the community to invest in education.

Student entitlement funding model for schools

This option is very similar to the Portable Funding Allowance outlined by Independent Schools Victoria in its earlier submission to the Review Panel, and the Association welcomes the recognition by the Allen Consulting Group of its importance. Independent Schools Victoria also notes the report’s assessment that ‘if school-level factors were to be included in the NSRRS, the highly varied levels of Australian Government contributions to different schools would make this option difficult to develop and implement’ (p73).

The Association believes that it would be insufficient to consider the differing levels of Australian Government funding for government and non-government schools, and that a student entitlement model would also need to encompass state and territory government funding. In addition, in line with the Independent Schools Victoria principle that a freeze of funding on individual independent schools would be unacceptable, once the results of such a funding model were determined at the individual school level, consideration would need to be given to the installation of a transition process for schools.

Resource benchmark for assessing costs and outcomes

The Allen Consulting Group report has indicated that the NSRRS could be used to ‘provide a more reliable and relevant framework against which costs and outcomes for schools and school systems can be assessed … by identifying areas of over and under-funding relative to student characteristics and outcomes’ (p74). The question that remains unresolved in this option is how student outcomes are measured, and what the funding implications would be for schools that were found to be either over-funded or under-funded.

While Independent Schools Victoria would welcome additional funding to support under-funded schools, there are concerns that this option appears to focus on aggregated, school-level measures of student need, rather than on focusing on the needs of individual students. Independent Schools Victoria would also be opposed to any funding mechanism which penalised schools that achieved what the report referred to as ‘exceptional’ performance (p9), rather than supporting these schools to maintain their performance.

Estimation of resourcing requirement for schools

This section of the report purports to separate the NSRRS from funding outcomes, by estimating ‘the total resourcing requirement for Australian schools, in total and individually, required to achieve a student outcome standard’ (p75).

As such, the flow of information is from schools and sectors to government, but with no reverse flow in terms of funding allocations. However, the report then notes that this process could be used ‘to provide guidance … as to whether there are sufficient resources applied in total to Australian schools, or whether there are potential opportunities for redistribution’. Were an NSRRS developed, it should be specified beforehand what any funding implications might be and what ‘opportunities for redistribution’ may exist.
**Methodology for Estimating an NSRRS**

The report offers a comprehensive discussion about the methodology that might be employed in the estimation of an NSRRS. Independent Schools Victoria trusts that this modelling will be made available publicly with adequate time for consultation and comment.

With regard to the specific elements of the methodology, Independent Schools Victoria notes that the Allen Consulting Group determined that reference schools for the calculation of an NSRRS should be those schools for which ‘at least 80 per cent of students are achieving above the national minimum standard, for their grade, in both Reading and Numeracy, across the three years 2008 to 2010’ (p83).

Given the comments throughout this submission about the wide range of educational experiences that Australian schools provide, the NSRRS’ focus on the school average score in a test that occurs once a year for four of the 13 year levels seems rather narrow. In particular, this focus glosses over the fact that schools in states such as Victoria, where students enter secondary school in Year 7, may have limited ability to influence those students’ performance on literacy and numeracy tests, and completely ignores senior secondary schools which can start at Year 10.

The methodology outlined in the report also makes simplistic assumptions with regard to the possible economies of scale obtainable for schools, with the Allen Consulting Group’s assumption that diminishing economies of scale exist for all schools (p87). Independent Schools Victoria is aware of research undertaken by the Australian Council of Jewish Schools (ACJS), which questions this assumption, and which ACJS has submitted to the Review Panel as part of its response to the research reports.

Independent Schools Victoria and ACJS understand that this research has been undertaken on an average cost basis, rather than on an efficient, least cost basis. Nonetheless, the initial findings by ACJS that diseconomies of scale may exist for schools with both low and high enrolment numbers suggest that additional work would need to be undertaken, were school size to be regarded as a possible loading on the NSRRS, as indicated on page 52 of the report.

Finally, as indicated in this response, Independent Schools Victoria does not agree with the possible indexation options outlined on page 88 of the report. Neither the CPI nor the LPI has a link to educational costs. Meanwhile, unless it could be shown that the problems of data measurement and data comparability inherent in the My School financial collection data did not have an impact on the relative change in schools’ financial data, this would also be an unsuitable point of reference on which to base any indexation arrangements.
Summary of Independent Schools Victoria Proposed Funding Models

These models were the Portable Funding Allowance (PFA) and the Community Based Funding model (CBF).

Portable Funding Allowance

The PFA would be available to all students in government and non-government schools.

It comprises a base component, topped-up with evidence-based loadings for individual special needs. This additional funding would be allocated to Indigenous students, students with a disability, LBOTE students and students from remote areas. A student with a disability would receive the same special needs assistance as any other in similar circumstances.

- **Determining a base cost**


  It calculated a Public Base Cost (PBC) amount at 2003 prices (including in-school and out-of-school recurrent costs):
  - Primary school – $6201 per student
  - Secondary school – $8504 per student.

  In our initial submission to the Review of Funding for Schooling, Independent Schools Victoria indicated that, with indexation, the PBC for Australian schooling in 2010 was calculated to be $9287 for primary school students and $12,079 for secondary school students. It is these figures on which the PFA was based. Based on the indexation rates for 2011 that were recently announced by the Department of Education, Employment and Workplace Relations (DEEWR), the publicly funded cost of Australian schools in 2011 would be $9929 for primary school students and $12,665 for secondary school students.

- **Links to an NSRRS**

  While Independent Schools Victoria has extrapolated the 2005 Public Base Cost as the amount against which the PFA would be pegged, clearly the calculation of an updated NSRRS would be an appropriate replacement for this estimation. Bearing in mind the similarity between the process recommended by the Allen Consulting Group and the methodology undertaken by MCEETYA in 2005, it is likely that the calculation of an NSRRS would be not dissimilar from these amounts.

Community Based Funding Model

The CBF Model could be used as an alternative if the SES Funding Model is to be replaced. The CBF model would retain the key strengths of SES funding introduced in 2001.

- **SES Key Strengths**

  When the SES Funding Model was being developed, it was agreed that there was ‘a preference for a transparent funding system … based on reliable data collected independently … For transparency, the relationship between source data, indicators and the relative funding level of a school should be able to be demonstrated, and the data should not be able to be manipulated to affect funding.’

  The validation report concluded that ‘a census-based SES measure produces a good proxy for parental income without the intrusiveness and administrative complexity inherent in measuring parent income more directly.’

- **Reliability of Census Data**

  ABS census data remains the most reliable source of consistently collected socioeconomic data available.

  Occupation, education, household income, and family income are appropriate measures of a student’s socioeconomic status.

  For the 2011 Census, the ABS will introduce mesh blocks that will result in data being reported at a more localised level. This will improve the accuracy and reliability of the socioeconomic data.

  The CBF model retains the key strengths of the SES Funding Model but would be more accurate because of the ABS mesh block census data.

  Schools would still be able to provide individual parent information in place of mesh block data if they believed that their indexation was inaccurate.

  Family size and other socioeconomic indices such as internet and broadband access could be incorporated into the CBF model to provide a more detailed profile.
Additional funding provisions

The existing funding model adds a loading for remote schools, based on their location but does not provide for a student from a remote location, attending a school in a less remote area. This could be resolved by using student home address details linked with the ABS Accessibility/Remoteness Index of Australia.

Funding for Indigenous students and students with special needs should be allocated in addition to the CBF model.

Funding benchmarks

The existing funding model currently provides non-government schools with funding between 13.7 per cent and 70 per cent of AGSRC.

Several states and territories have implemented, or are intending to implement, funding models that link non-government school funding to 25 per cent of the cost of educating a student in a government school. This figure is an appropriate benchmark to set as the minimum allowance for schools that would sit at the higher end of the scale of the CBF Model. Funding could then scale up to the Public Base Cost amounts that have been identified as $9929 for primary level students and $12,665 for secondary level students for schools on the lower end of the socioeconomic scale of the CBF.

Links to an NSRRS

As with the Portable Funding Allowance, the introduction of a Community Based Funding model could be pegged against an NSRRS, which would replace the current AGSRC calculation.

Funding Educational Disadvantage

As indicated in Independent Schools Victoria’s responses to the other reports commissioned by the Review Panel, the Association maintains that there are four main areas of student diversity that need attention as part of the Review of Funding for Schooling. These are:

- Students with a Disability
- Students with a Language Background Other Than English
- Indigeneity
- Rurality and Remoteness.

In all cases, Independent Schools Victoria seeks parity of funding for all students. The notion that a student who is educationally disadvantaged who attends a school in the non-government sector should be funded differently to a student in the same circumstances who is attending a government school is absurd. Some have suggested that this is immoral.

Any future funding model, including the loadings applied to an NSRRS, should incorporate nationally-agreed definitions for each of the special needs areas. In the case of LBOTE students, a standardised test to examine the actual learning needs of every student in those circumstances would ensure that government funding is allocated appropriately.

Common severity descriptors for students with a disability would work in the same way.

This would, in turn, allow the Australian Government, as well as the state and territory governments, to work towards developing funding parity for students with special needs attending Independent, government and Catholic sector schools.

Students with Low SES Backgrounds

As indicated in the responses to the other reports commissioned by the Review Panel, Independent Schools Victoria has great difficulty in considering students with low SES backgrounds to be in the same circumstances of the other four areas of educational disadvantage. It is felt by Independent Schools Victoria that the four reports have placed too much weight on the impact of low SES.

High-performing, low SES Victorian Independent schools provide evidence that the impact of low SES can be countered through a variety of means.

The Review Panel would need to have further analysis of the circumstances of students with low SES backgrounds before making any definitive recommendations to the Australian Government on this matter.
Conclusions

This response highlights a number of important issues which must be considered before Phase Two implementation of the proposed National School Recurrent Resource Standard.

Independent Schools Victoria welcomes the contribution that the Allen Consulting Group has made to the debate on funding for schooling. Whilst it should be noted that the report both under-estimates the difficulties inherent in creating a student resource standard, and the length of time required to ensure that it is accurate, consistent and reliable, we acknowledge the fundamental finding of the report that it would be possible to create such a standard.

However, the key issues of interest to schools revolve around Phase Two of the project – the development of that standard and the analysis of its implications for schools and for students. This key element of the project remains unanswered by the report, as is any question of how the standard might be linked to funding outcomes.

Independent Schools Victoria is disappointed that there will be no further opportunity for the Australian public to comment on these issues prior to the delivery of the Review Panel’s recommendations to the Australian Government at the end of 2011. Independent Schools Victoria would strongly urge whoever undertakes this work to ensure that appropriate time is taken to undertake the project and to engage in extensive public consultation.

Independent Schools Victoria has previously outlined two possible funding models for consideration by the Review Panel, and both of these models could easily be integrated with the National School Recurrent Resource Standard as outlined in this report. The Review Panel is invited to further discuss these proposals with Independent Schools Victoria, to ensure that the needs of Australian students are appropriately catered for.
## Acronym List

See below for a number of the acronyms used in this document.

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABS</td>
<td>Australian Bureau of Statistics</td>
</tr>
<tr>
<td>ACARA</td>
<td>Australian Curriculum, Assessment and Reporting Authority</td>
</tr>
<tr>
<td>ACER</td>
<td>Australian Council for Educational Research</td>
</tr>
<tr>
<td>ACJS</td>
<td>Australian Council of Jewish Schools</td>
</tr>
<tr>
<td>AGSRC</td>
<td>Average Government School Recurrent Cost</td>
</tr>
<tr>
<td>ASIC</td>
<td>Australian Securities and Investments Commission</td>
</tr>
<tr>
<td>ATO</td>
<td>Australian Tax Office</td>
</tr>
<tr>
<td>CBF</td>
<td>Community Based Funding model</td>
</tr>
<tr>
<td>CCD</td>
<td>Census Collection District</td>
</tr>
<tr>
<td>CPI</td>
<td>Consumer Price Index</td>
</tr>
<tr>
<td>CSE</td>
<td>Civic and Social Engagement</td>
</tr>
<tr>
<td>DEECD</td>
<td>Department of Education and Early Childhood Development (Vic)</td>
</tr>
<tr>
<td>DEEWR</td>
<td>Department of Education, Employment and Workplace Relations (Cwlth)</td>
</tr>
<tr>
<td>EMA</td>
<td>Education Maintenance Allowance</td>
</tr>
<tr>
<td>ERI</td>
<td>Educational Resource Index</td>
</tr>
<tr>
<td>ESL</td>
<td>English as a Second Language</td>
</tr>
<tr>
<td>FAM</td>
<td>Financial Assistance Model</td>
</tr>
<tr>
<td>ICSEA</td>
<td>Index of Community Socio-Educational Advantage</td>
</tr>
<tr>
<td>ISA</td>
<td>Independent Schools Council of Australia</td>
</tr>
<tr>
<td>ISA</td>
<td>Indigenous Supplementary Assistance program</td>
</tr>
<tr>
<td>LBOTE</td>
<td>Language Background Other Than English</td>
</tr>
<tr>
<td>LPI</td>
<td>Labour Price Index</td>
</tr>
<tr>
<td>MCEETYA</td>
<td>Ministerial Council on Education Employment, Training and Youth Affairs</td>
</tr>
<tr>
<td>NAPLAN</td>
<td>National Assessment Program – Literacy and Numeracy</td>
</tr>
<tr>
<td>NSRRS</td>
<td>National School Recurrent Resource Standard</td>
</tr>
<tr>
<td>OECD</td>
<td>Organisation for Economic Co-operation and Development</td>
</tr>
<tr>
<td>PBC</td>
<td>Public Base Cost</td>
</tr>
<tr>
<td>PFA</td>
<td>Portable Funding Allowance</td>
</tr>
<tr>
<td>PISA</td>
<td>Programme for International Student Assessment</td>
</tr>
<tr>
<td>SEIFA</td>
<td>Socioeconomic Indices for Areas</td>
</tr>
<tr>
<td>SES</td>
<td>Socioeconomic status</td>
</tr>
<tr>
<td>SEWG</td>
<td>Schools Education Working Group</td>
</tr>
<tr>
<td>SFO</td>
<td>Student Family Occupation background</td>
</tr>
<tr>
<td>VIT</td>
<td>Victorian Institute of Teaching</td>
</tr>
<tr>
<td>VRQA</td>
<td>Victorian Registration and Qualifications Authority</td>
</tr>
</tbody>
</table>

## Contact Information

For more information on any of the information or issues arising from the Independent Schools Victoria submission to the Review of Funding for Schooling, please contact:

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Independent Schools Victoria  
P: 03 9825 7200  
F: 03 9826 6066  
E:michelle.green@independentschools.vic.edu.au
Fast Facts 2011

**Victorian Schools - by sector**

<table>
<thead>
<tr>
<th>School Type</th>
<th>Number of Schools</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independent</td>
<td>219</td>
<td>9.7%</td>
</tr>
<tr>
<td>Catholic</td>
<td>489</td>
<td>21.7%</td>
</tr>
<tr>
<td>Government</td>
<td>1548</td>
<td>68.6%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2256</strong></td>
<td><strong>100.0%</strong></td>
</tr>
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Fast Fact Sources: DEEWR – 2010 Census of Non-Government Schools
DEECD – Summary Statistics for Victorian Schools July 2010
ABS – Schools Australia 2010

**Victorian Students - by sector**

<table>
<thead>
<tr>
<th>School Type</th>
<th>Number of Students</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independent</td>
<td>123,632.1</td>
<td>14.5%</td>
</tr>
<tr>
<td>Catholic</td>
<td>190,644.7</td>
<td>22.3%</td>
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<tr>
<td>Government</td>
<td>539,227.1</td>
<td>63.2%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>853,503.9</strong></td>
<td><strong>100.0%</strong></td>
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</table>

**Australian Schools and Students - by sector**

<table>
<thead>
<tr>
<th>School Type</th>
<th>Number of Schools</th>
<th>Percentage</th>
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</thead>
<tbody>
<tr>
<td>Independent</td>
<td>1017</td>
<td>10.8%</td>
</tr>
<tr>
<td>Catholic</td>
<td>1708</td>
<td>18.0%</td>
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<tr>
<td>Government</td>
<td>6743</td>
<td>71.2%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>9468</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>

**Independent Schools Victoria Member Schools**

Not all independent schools are members of Independent Schools Victoria but some Catholic schools are members.

<table>
<thead>
<tr>
<th>School Type</th>
<th>Number of Schools</th>
<th>Number of Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-systemic Schools</td>
<td>173</td>
<td>102,846.5</td>
</tr>
<tr>
<td>Systemic Schools*</td>
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<tr>
<td>Catholic</td>
<td>6</td>
<td>6069.0</td>
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<tr>
<td>Ecumenical</td>
<td>18</td>
<td>13,795.9</td>
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<tr>
<td>Lutheran</td>
<td>15</td>
<td>4160.5</td>
</tr>
<tr>
<td>Seventh-Day Adventist</td>
<td>7</td>
<td>1995.2</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>219</strong></td>
<td><strong>128,867.1</strong></td>
</tr>
</tbody>
</table>

* In systemic schools, overall responsibility for the distribution of financial resources and for educational policies lies with a central authority, or system.

**SES Comparisons**

Number of Victorian independent schools in each SES bracket in 2010

<table>
<thead>
<tr>
<th>SES Bracket</th>
<th>Number of Independent Schools</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 90</td>
<td>32</td>
</tr>
<tr>
<td>91-100</td>
<td>79</td>
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<tr>
<td>101-110</td>
<td>46</td>
</tr>
<tr>
<td>111-120</td>
<td>31</td>
</tr>
<tr>
<td>Greater than 120</td>
<td>28</td>
</tr>
<tr>
<td>Not applicable*</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>219</strong></td>
</tr>
</tbody>
</table>

* These schools do not receive funding from the Australian Government or have not had an SES calculated yet.

**Primary/Secondary**

<table>
<thead>
<tr>
<th>Type</th>
<th>Number of Independent Schools</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary only</td>
<td>46</td>
</tr>
<tr>
<td>Secondary only</td>
<td>21</td>
</tr>
<tr>
<td>Combined</td>
<td>152</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>219</strong></td>
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</table>

**Male/Female**

<table>
<thead>
<tr>
<th>Gender</th>
<th>Number of Independent Schools</th>
</tr>
</thead>
<tbody>
<tr>
<td>Girls only</td>
<td>19</td>
</tr>
<tr>
<td>Boys only</td>
<td>12</td>
</tr>
<tr>
<td>Coeducational</td>
<td>188</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>219</strong></td>
</tr>
</tbody>
</table>

**Melbourne/Regional**

<table>
<thead>
<tr>
<th>Region</th>
<th>Number of Independent Schools</th>
</tr>
</thead>
<tbody>
<tr>
<td>Melbourne</td>
<td>148</td>
</tr>
<tr>
<td>Regional</td>
<td>71</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>219</strong></td>
</tr>
</tbody>
</table>

**Number of independent students**

<table>
<thead>
<tr>
<th>Gender</th>
<th>Number of Independent Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>Girls only</td>
<td>14,338.1</td>
</tr>
<tr>
<td>Boys only</td>
<td>9236.6</td>
</tr>
<tr>
<td>Coeducational</td>
<td>100,057.4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>123,632.1</strong></td>
</tr>
</tbody>
</table>

**Number of independent students**

<table>
<thead>
<tr>
<th>Gender</th>
<th>Number of Independent Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>Girls only</td>
<td>97,185.9</td>
</tr>
<tr>
<td>Boys only</td>
<td>26,446.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>123,632.1</strong></td>
</tr>
</tbody>
</table>
Fair Funding for Independent Schools

Four messages for the Australian Government’s Review of School Funding:

1. Choice in education must continue to be defended under Victorian and Australian legislation
2. Focus funding on students, not schools
3. Schools’ income from parents or elsewhere must not diminish government funding
4. No funding freeze for individual schools