

**Submission
No 7**

**EXAMINATION OF THE AUDITOR GENERAL'S PERFORMANCE AUDIT
REPORTS AUGUST 2019 - JUNE 2020**

Organisation: Department of Education

Date Received: 5 May 2021

Mr G M Piper MP
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Legislative Assembly Public Accounts Committee
Parliament of New South Wales
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Dear Mr Piper

Thank you for your letter of 7 April 2020, requesting the Department of Education's response to the NSW State Auditor-General's performance audit report *Local Decisions, needs-based equity funding*, tabled on 8 April 2020.

Please find attached the Department's response to the recommendations contained in the report.

The Department has welcomed the opportunity to clarify the objective of needs-based equity funding, and provide stronger direction through a clear policy on needs-based funding expenditure linked to the school plan and improved reporting options at both the school and system levels.

The Department remains committed to principles of needs-based equity funding, recognising that it has the capacity to be life changing for students in our schools. The eight recommendations have been a catalyst for review and change. All eight recommendations were accepted, with four accepted in principle.

The response to the *Local Decisions, needs-based equity funding* performance audit was considered together with the Inquiry into *Measurement and outcome-based funding in New South Wales* (18 August 2020) and the *CESE Local Schools, Local Decisions Evaluation Final Report* (2020).

These reports all identified room for improvement for both schools, and the system, in driving student success. At the same time, the Department developed the School Success Model. The new model, released in December 2020, has informed the Department's response to the recommendations.

Further information on the School Success Model is available on the Department's website at: <https://education.nsw.gov.au/public-schools/school-success-model/school-success-model-explained>.

Yours sincerely



Georgina Harrisson
ACTING SECRETARY
DEPARTMENT OF EDUCATION
5 May 2021

IMPLEMENTATION OF RECOMMENDATIONS

NSW Auditor-General's Performance Audit – Local Schools, Local Decisions: needs-based equity funding

Recommendation	Accepted/ rejected	Key Actions to be taken (taken from initial A-G response, 8 April 2020)	Due	STATUS (completed, on track, delayed) and COMMENTS	RESPONSIBILITY (Section of agency responsible for implementation)
1. Clarify the objective of equity funding and update guidance material and reporting requirements to consistently reflect this objective.	Accepted	The Department welcomes the opportunity to clarify this objective through the implementation of meaningful and manageable policy for schools. It is recognised that equity funding is life changing for students in our schools.	2020-2021	<p>Completed</p> <ul style="list-style-type: none"> ✓ The Department has updated the School Excellence policy and procedures. A new website, launched in July 2020, includes a comprehensive range of School Excellence in Action materials to provide stronger and more explicit guidance for schools. ✓ A clear definition of needs-based funding is included in the Schools Excellence Policy and supporting documents and applied consistently in relevant guidance materials for schools. ✓ The policy makes it a requirement that every school embed needs-based funding into their 2021-2024 Strategic Improvement Plans. The policy also requires every 2021-2024 Strategic Improvement Plan to be approved by the Director Educational, Leadership. 	School Improvement and Education Reform
		The Department will provide stronger direction through a clear policy on needs-based funding expenditure linked to the school plan and improved reporting options at both the school and system levels.		Refer to Recommendation 2d and 2e for further detail on school planning and reporting requirements.	
		The Department is developing a needs-based funding evaluation framework to support the tracking of school and student outcomes resulting from the effective use of needs-based funding. The evaluation framework will identify and inform the future delivery of resources to schools, professional learning requirements of principals and school leaders, and the clarification of accountability requirements.		<p>On track</p> <ul style="list-style-type: none"> ✓ Further support will be provided to schools for evaluation of the effective use of needs-based funding and impact on student outcomes. This will occur in mid-2021 in readiness for the evaluation and reporting phase of the first year of the school Strategic Improvement Plans later in the school year. 	

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		The Department will determine a consistent view of the objectives for the use of equity funding. These will be communicated to schools through school planning resources, and policy and accountability requirements.		Refer to Recommendation 2d for further detail on evaluation and reporting requirements. ✓ Refer to Recommendation 3 for guidance for all schools on the effective use of funding through exemplary practice.	
		The Department will continue to develop and deliver appropriate examples of effective practice that demonstrate the impact on student learning and include details of improvement measures.		Completed ✓ The School Excellence in Action website has been updated with comprehensive advice on the effective use of Aboriginal student equity funding and guidance to support principals with planning, implementing, monitoring and reporting on achievements in Aboriginal education through improved practices and student outcomes. Explicit reference is made to strategies and practices that are known to be effective in improving student outcomes.	
		Recommendations linked to Aboriginal student equity funding are to be co-designed with key NSW AECG Inc.		Refer to Recommendation 2a for further detail on supporting Aboriginal students.	
2. Better integrate equity funding into school planning and reporting by: a) supporting schools to set consistent measures and targets for improving educational outcomes for each equity group	Accepted in principle	The Department has set targets at a school level for all appropriate student groups based on available system level data. This includes school level targets for expected growth (reading and numeracy) which cut across all equity groups, and Principal Network targets for HSC attainment of Aboriginal students. Schools can also set targets at the local level to monitor and track student learning, including through individual student learning plans.	2020-2021	Completed ✓ Ambitious targets have been set for schools as part of the School Success Model launched in December 2020. The targets build on the NSW Premier's Priorities in education and address attendance, reading and numeracy (equity), increasing the number of Aboriginal students attaining their HSC and pathways for school leavers. ✓ By the end of Term 1, 2021 all schools have locked in equity targets into their 2021-2024 Strategic Improvement Plans (SIPs).	School Performance

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				<ul style="list-style-type: none"> ✓ The role of the Director, Educational Leadership has been pivotal in conducting a quality assurance process to check that key initiatives in the SIP address targets, student need and the appropriate allocation of needs-based funding. The Director, Education Leadership approves the school Strategic Improvement Plan following the quality assurance process. 	
		<p>As part of the Disability Strategy launched in 2018, the Department is working to strengthen the outcomes measures for students with disability in NSW. This work is drawing upon international evidence of how to find appropriate and inclusive methods for measuring student progress.</p> <p>In line with the NSW Government announcement on reforming Local Schools, Local Decisions (5 March 2020), further consultation on relevant targets for schools, informing broader reform of Local Schools, Local Decisions, will be undertaken in 2020. Further measures will be considered as part of this process, for schools of sufficient size where outcomes can be reliably measured.</p>		<p>On track</p> <ul style="list-style-type: none"> ✓ The Department's disability strategy identifies that using data to monitor and improve the learning, wellbeing and independence of students with disability is a crucial area for reform. ✓ The Department is working with its partners to develop and implement an outcomes measurement system for students with disability, and develop a framework to improve its data maturity. This will inform and guide the identification of gaps, opportunities and essential improvements necessary to uplift the system overall to benefit students with disability. In support of the strategy, a number of pieces of research have been commissioned including on best practice to support the creation of schools and learning environments that best allow for inclusion of students with disability. In particular, CESE released in July 2020 four cases and a supporting discussion guide on inclusive education. The case studies outline what has worked in each school to improve inclusive education for students with disability. ✓ The Assessment for Complex Learners project is currently underway and researching 	

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				different tools for assessing learning for students with disability. The project has identified four potential tools and ran early pilots of these tools in 2020. Further trialling and validation of the four tools is occurring this year.	
<p>2. Better integrate equity funding into school planning and reporting by:</p> <p>b) providing schools with a four-year projection of funding for each equity group based on past enrolment trends</p>	Accepted in principle	The Department is committed to providing certainty about funding linked to the school planning cycle. The Department will construct and provide explicit instructions to schools regarding funding expectations to strategically plan for student learning needs and meeting identified targets.	2020-2021	<p>Completed</p> <ul style="list-style-type: none"> ✓ The Department remains committed to needs-based funding which is recurrent and continues to be reflective of student need. The principle of funding certainty is built into the needs-based Resource Allocation Model (RAM). ✓ The Department operates in line with the state budget process requirements. Total school budgets remain on a one-year basis. ✓ To support funding certainty, in 2021 96% of funding to schools to date is provided through the School Budget Allocation Report (SBAR) process. ✓ Each school's SBAR equity funding is loaded directly into the school's Strategic Improvement plans, enabling schools to align their funding with their targeted outcomes. As this is recurrent funding, annually adjusted based on student need and numbers, it will align with the four year Strategic Improvement Planning process. ✓ A new Schools Carry Forward Policy was released in Week 1, Term 2, 2021 highlighting the funding principle of 'Today's funds for today's students.' 	Operations Group
		There will be greater oversight over the use of equity funds at both the local and system level; in cases where a school requires more guidance, the Department		<p>On track</p> <p>Work is underway for Simplifying School Budgets in 2022 as part of Phase 2 of the School Success</p>	

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		will support, monitor and intervene as appropriate. This will ensure the right balance between local flexibility and transparency around decision making and accountability for improving student outcomes.		Model. This will result in reducing administrative burden and improved school financial management and reporting.	
<p>2. Better integrate equity funding into school planning and reporting by:</p> <p>c) supporting schools to implement effective strategies for community engagement on the development of the school plan priorities</p>	Accepted	<p>The Department will continue to collaborate with its stakeholders to develop community consultation resources including:</p> <ul style="list-style-type: none"> • guidelines that outline expectations for schools • examples of what can be achieved through authentic community consultation • suggestions to suit a range of different school contexts • useful resources, including rubrics • written, video and podcast based case studies. <p>Community consultation will be included in inductions for principals and executive.</p> <p>The 'engaging and working with the community' credential will be reviewed to include more guidance on consulting with the community around school planning. The new school planning process is well underway and will include a strong focus on local community consultation focused on students and their learning needs, including the student equity groups that most require support.</p>	August 2020	<p>Completed</p> <ul style="list-style-type: none"> ✓ Explicit expectations about authentic community consultation is embedded in the School Excellence Policy and all phases of the School Excellence cycle. ✓ Curated resources and highly effective strategies to assist all schools in building authentic community engagement are included on the School Excellence in Action website. ✓ The Directors, Educational Leadership have a key role in affirming that a school has undertaken an authentic community consultation process with their Strategic Improvement Plans, prior to approving the SIP. ✓ Principals, School Leadership also support schools in implementing effective community engagement strategies. 	School Performance
2. Better integrate equity funding into	Accepted	The Department will introduce a new school planning approach, for implementation from 2021, which will		✓ The School Excellence Policy, updated in August 2020, provides clearer guidance and explicit expectations to schools on how to	School Performance

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<p>school planning and reporting by:</p> <p>d) requiring schools to identify how they plan to use available funding sources to meet the additional learning needs of identified equity groups and the outcomes expected.</p>		<p>outline expectations, accountability and provide schools with clear guidelines on the use of equity funding to meet the needs of students as part of an overall Strategic Improvement Plan.</p>		<p>lead strategic improvement planning and annual reporting, including the requirement for schools to annually report on equity, targeted and initiative funding linked to effective practice and improvement measures using the School Planning and Reporting Online (SPaRO) tool.</p>	
		<p>The Department will continue to support all schools to identify and use funding to best meet the learning needs of equity groups. The Department will work collaboratively with stakeholders to identify effective strategies underpinned by research and suited to a range of school settings and needs.</p>		<ul style="list-style-type: none"> ✓ The Department delivered a series mini-summits for Directors, Educational Leadership and Principals, School Leadership from Terms 3, 2020 to Term 1, 2021 to ensure these key roles were thoroughly equipped to support and guide all schools through a consistent Statewide approach. ✓ Principals from over 1,200 schools have accessed a three part online Excellence in Resourcing sessions to support them to use cost-effective strategies that impact on and improve student learning outcomes as part of their school planning, reporting and accountability requirements. 	
		<p>School-based targets will improve line-of-sight to student outcomes for all students, further enabling an appropriate balance of support and accountability for schools.</p>		<ul style="list-style-type: none"> ✓ In Term 1, 2021, DELs worked closely with principals in a feedback and quality assurance process to finalise the Strategic Improvement Plans. This included reviewing how equity funding was allocated to directly support student equity outcomes, prior to the final DEL approval of each SIP. 	

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		Alongside targeted funding for equity groups, it is expected that schools will continue to flexibly allocate additional resources to meet the needs of students in ways that reduce equity gaps, and that the funded projects and strategies are reflected in the school's improvement plan.		Refer to Recommendation 1 for more detail in setting explicit expectations and providing updated guidance for schools.	
<p>2. Better integrate equity funding into school planning and reporting by:</p> <p>e) requiring schools to report on how they have used funding to meet the additional learning needs of identified equity groups and the outcomes that have been achieved.</p>	Accepted	<p>See response to 2d. Introduction of a new school plan and school-based targets will support improved reporting, as will automation of the Annual School Report, linked to the new school plan.</p> <p>In addition to these structures, the Department will undertake further work to strengthen reporting on use of equity funds.</p> <p>The Department will strengthen the capabilities of school leaders to plan for the effective use of their needs-based funding against human resources, programs and resources to enable the school to implement high impact activities that promote improved student learning and wellbeing outcomes.</p>	2020-2021	<p>Completed</p> <ul style="list-style-type: none"> ✓ From 2021, all schools are required to report annually on equity, targeted and initiative funding linked to effective practice and improvement measures using the enhanced functionality built into the School Planning and Reporting Online (SPaRO) tool. SPaRO enables schools to seamlessly develop, implement and monitor their Strategic Improvement Plan; align their needs-based funding undertake self-assessments and prepare for external validation; and complete their annual reporting. Principals are to report on the impact of funding, not just the activities undertaken. The tool enables greater oversight by state office and through line management by Directors, Educational Leadership. ✓ Schools are required to monitor annual budget allocations for all needs-based funding in the Funding source table in the School Planning and Reporting Online (SPaRO) system. ✓ Schools monitor and track implementation and progress of their strategic improvement plan on a regular basis in the SPaRO software. The School Excellence policy states twice each term as best practice. 	

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				<ul style="list-style-type: none"> ✓ The implementation and progress component of the Strategic Improvement Plan is discussed with, quality assured and regularly monitored by the Director, Education Leadership. ✓ Further work beyond the original recommendation is planned for later in 2021 to support school readiness for the evaluation and reporting phase of their Strategic Improvement Plans, and the requirement to explicitly report on the impact of the funding. <p>Refer to 2d and 8 for further detail on how the Department is strengthening capabilities of school leaders with planning and reporting.</p>	
<p>3. Measure and report on school and student outcomes achieved as a result of equity funding on an ongoing basis.</p>	<p>Accepted in principle</p>	<p>See response to 2e and 2d.</p> <p>At a system level, performance targets are included in the Department's business plan, and Education outcomes targets will be published in the budget papers. As noted in the audit, these include targets to reduce equity gaps for low SES and Aboriginal students.</p>	<p>2020-2021</p>	<p>Completed</p> <p>See 2a for references to measures in relation to student outcomes, including Aboriginal students for students with Disability.</p>	<p>School Performance</p>
		<p>This recommendation will be implemented with consideration of the findings from the Report into Measurement and outcome-based funding in New South Wales schools.</p>		<p>For reporting on outcomes refer to 2d and 2e.</p>	
		<p>The Department has over 200 published school snapshots (examples of successful practice) on its website that capture and share outstanding practice in improving student outcomes through the delivery of programs using equity funding.</p>		<p>On track</p> <ul style="list-style-type: none"> ✓ In 2021, the Department will develop further support to assist schools with evaluating and reporting on the impact of needs-based funding which will align with the School Excellence Cycle. 	

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		<p>The Department consistently reviews and updates these snapshots to provide schools with relevant and meaningful examples of outstanding practice.</p> <p>As noted in 2a, as part of the Disability Strategy launched in 2018, the Department is working to strengthen the outcomes measures for students with disability in NSW in line with international evidence. Findings from current trials will inform implementation.</p>		<p>✓ Further work is underway to update school snapshots/ exemplars to share effective practice using funding to improve student outcomes, informed by the evidence provided through Strategic Improvement Plans and other systems data.</p> <p>Refer to 2a for further detail on strengthening outcome measures for students with disability.</p>	
<p>4. Identify schools that have made significant and sustained improvements for specific equity groups and share better practice approaches for using equity funding.</p>	<p>Accepted</p>	<p>This work is already underway (see response to 3)</p>	<p>2020-2021</p>	<p>Completed</p> <p>✓ Best in Class program is underway with teachers supporting the scaling of proven and successful teaching methods through ongoing support to teachers across NSW Public Schools. This includes the delivery of professional learning to strengthen teaching practice in a range of identified priority areas including HSC, writing and mathematics teaching.</p> <p>On track</p> <p>✓ The Ambassador Schools pilot was launched as part of the School Success Model. The program seeks to identify, and utilise the effective practices of, schools that are performing substantially better than contextually comparable schools on identified measures. These schools, representative of a diverse range of contexts and equity groups, will engage with research partners to identify effective practices that can be scaled across NSW public schools to lift system wide performance.</p>	<p>Learning Improvement</p>

Recommendation	Accepted/ rejected	Key Actions to be taken (taken from initial A-G response, 8 April 2020)	Due	STATUS (completed, on track, delayed) and COMMENTS	RESPONSIBILITY (Section of agency responsible for implementation)
5. Identify schools that have not met expected growth for equity groups and provide tailored advice and support on effective approaches to lift performance.	Accepted in principle	<p>The Department delivers tailored, evidence-based support for schools in key areas of school improvement (480 schools in 2019). Schools are identified for strategic services through discussions between the Director, Educational Leadership and the Service Manager in School Services; the topic and plan for support is then co-created with the principal and their leadership team, forming a service agreement agreed by all parties.</p> <p>Target-setting with schools to increase line-of-sight to student outcomes will inform discussions around targeting support to areas of need in 2020. These targets include overall school performance measures, which would reflect the outcomes of all students.</p>	2021	<p>Completed</p> <ul style="list-style-type: none"> ✓ In 2021, as part of improved model of support under the School Success Model, the Department has developed a new data-driven model of support for schools to ensure support is provided for schools that need it the most. ✓ The support model commenced in Term 1, 2021. The support includes universal support (which all schools can access); guidance support; and intensive support for an identified group of schools that need more support to lift student outcomes. ✓ Existing processes, such as school development reviews and performance development planning for schools, are used to support schools that have not improved across a number of target areas. 	School Performance
6. Strengthen guidance on implementing cost-effective and educationally sound interventions that target the learning needs of equity students. For example, by expanding upon the Centre for Education Statistics and Evaluation's 2015 'What works best' publication and incorporating additional evidence.	Accepted	<p>The Department will develop further examples of best practice school improvement that demonstrate how schools from a range of contexts have used needs-based funding and school improvement strategies to support continuous improvement.</p> <p>A range of delivery options will be considered including video and podcasts, facilitating ease of access for busy principals and school leaders.</p> <p>CESE will be releasing an updated, "What Works Best" paper as well an additional "What Works Best in Practice" paper and toolkit for teachers during the first half of 2020. These resources will update the</p>	2020-2021	<p>Completed</p> <ul style="list-style-type: none"> ✓ The What Works Best 2020 resources have been updated to provide evidence-based practical strategies to support teachers to meet the needs of their students. The What Works Best evidence paper has a greater focus on equity by highlighting the implications of teaching strategies by socio-economic status and Aboriginality. ✓ The Department has strongly promoted these resources, including through a dedicated website, video and audio interviews with principals and students from a range of school settings. <p>On track</p>	Education and Skills Reform

Recommendation	Accepted/ rejected	Key Actions to be taken (taken from initial A-G response, 8 April 2020)	Due	STATUS (completed, on track, delayed) and COMMENTS	RESPONSIBILITY (Section of agency responsible for implementation)
		evidence and provide support to teachers and schools about practical implementation strategies for NSW classrooms. Real school examples will be provided in order that schools with similar student groups are able to see contextually relevant strategies and approaches to support improvement.		<ul style="list-style-type: none"> ✓ Newly developed What Works Best SCOUT reports will be available in Term 2, 2021, to support schools to reflect on their school improvement practices. ✓ Tell Them From Me (TTFM) student survey data will be used to design support for Aboriginal students and address the Premier's Priority target on HSC completion for Aboriginal students. ✓ An evidence paper on what works best for Aboriginal students is in progress and will be completed in the second half of 2021. 	
7. Better coordinate support provided to schools on community consultation, strategic planning, resource allocation and strategic financial management.	Accepted	<p>The Department is refining its School Excellence cycle and is developing a comprehensive new School Excellence resource package. This includes support for schools on community consultation, strategic planning, resource allocation and strategic financial management.</p> <p>The Department promotes and recognises that different school contexts and sizes require differentiated support and training to be delivered.</p> <p>Principals and school leaders receive high quality support and advice through multiple channels to address reactive, complex and strategic support and mentoring needs. Initial discussions are underway to deliver a strategic support model for schools. To date the efforts of different teams are being mapped to strengthen and align our support and service delivery model.</p>	Term 1, 2021	<p>Completed</p> <p>Refer to Recommendations 2c, 2d, 2e and 8.</p> <ul style="list-style-type: none"> ✓ Note that the Director, Educational Leadership (DEL) has a key role in finalising the school Strategic Improvement Plan and works closely with the principal to confirm, prior to final approval by the DEL, confirm that the Plan: ✓ reflects authentic community engagement ✓ includes improvement measures and resourcing aligned to the needs of students from identified equity groups as appropriate to the school context ✓ clearly identifies how financial resources, including equity loadings are being used to achieve the identified outcomes. 	<p>School Performance (for community consultation, strategic planning)</p> <p>Operations Group (for resource allocation and strategic financial management)</p>

Recommendation	Accepted/ rejected	Key Actions to be taken (taken from initial A-G response, 8 April 2020)	Due	STATUS (completed, on track, delayed) and COMMENTS	RESPONSIBILITY (Section of agency responsible for implementation)
8. Improve training and support to lift the financial management capabilities of school principals, business managers, and Directors, Educational Leadership.	Accepted (note that this recommendation is broader than just the needs-based funding)	<p>The Department will deliver an improved model of professional learning, training and support which will clarify the purpose of needs-based funding and bring together key requirements for schools that balance flexibility and accountability.</p> <p>The Department's financial management optimisation project delivers one to one support to principals to develop financial decision making and capacity.</p> <p>New and aspiring principals must complete the Strategic Financial Management credential, to strengthen and inform their understanding of the use of budget allocations, including equity funding, to improve student outcomes. This is integral to successful strategic financial management in schools. Further support will be provided to assist Directors, Educational Leadership.</p>	2020-2021	<p>Completed</p> <ul style="list-style-type: none"> ✓ In 2020, support for schools has included the Coaching for Financial Performance program which delivered targeted intensive support to 200 schools (based on their accumulated balance being over \$500K). ✓ In 2021, intensive support in financial management for schools who need it the most has been strengthened in line with the School Success Model and will be ongoing. ✓ Updated universal support on financial management is available for all schools and will continue to be refined to better support schools. ✓ The needs of new and aspiring principals have been addressed through specifically targeted professional learning and updated online modules. ✓ Directors, Educational Leadership (DELs) have participated in finance sessions. 	Operations Group

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Dear Mr Piper

Thank you for your letter of 12 October 2021, seeking further information regarding recommendations of the Auditor-General's performance audit report – Local Schools, Local Decisions needs-based equity funding – Department of Education.

Launched in December 2020, the Department of Education's School Success Model replaces Local Schools, Local Decisions. The School Success Model is a whole-of-system evidence led reform program that aims to strengthen shared accountability across the system by putting in place clearer targets for school improvement, lifting capability through the design of new system support and sharing best practice across the system.

The model uses school performance data to more accurately target support to where it is needed the most, whilst also setting meaningful performance targets for the system regarding the quality of resources provided to schools, reduction in administrative burden and overall student performance.

The model is responsive to a range of evaluations, including the related Auditor General's performance report, that identified opportunities for improvement in Local Schools, Local Decisions. This includes bringing more consistency to the way schools use their funding, to improve the support provided to schools, all whilst creating more time for them to focus on teaching learning and leading.

Consistent with the implementation of the School Success Model, I am pleased to provide the following information in response to Recommendations 4, 5 and 8, as requested.

Recommendation 4: Identify schools that have made significant and sustained improvements for specific equity groups and share better practice approaches for using equity funding. Could the Department provide the status update on the Ambassador School pilot program?

The Ambassador Schools pilot was launched as part of the School Success Model in February 2021. The program seeks to identify, and utilise the effective practices of, schools that are performing substantially better than contextually comparable schools on identified measures. These schools, representative of a diverse range of contexts and equity groups, will engage with research partners to identify effective practices that can be scaled across NSW public schools to lift system wide performance.

Six Ambassador schools have been announced so far in 2021, and include Fairvale High School, Millthorpe Public School, Auburn North Public School, Huntingdon Public School, Bonnyrigg Heights Public School and Macarthur Girls High School. Each of these schools demonstrate sustained performance across a number of key measures and can clearly demonstrate effective implementation of evidence based practice.

A total of 10 Ambassador schools will be selected for the 2021/2022 pilot, with the final four schools yet to be announced and subject to further analysis of performance data.

The Department of Education will also partner with a university consortium to establish the Ambassador Schools Research Centre, which will undertake research into our Ambassador Schools to identify their highly effective practices. The Centre will focus on both regional and metropolitan contexts, and will generate insights into what sets Ambassador Schools apart from other schools, including classroom practice and other factors in school performance. This partnership is due to be announced towards the end of 2021. The Department anticipates the development of an evidence rich report that will outline the outcomes and insights of effective practice. The second phase of the partnership will provide opportunities to scale these practices at contextually similar schools in order to target future activities to achieve improved student learning outcomes across the state

Recommendation 5: Identify schools that have not met expected growth for equity groups and provide tailored advice and support on effective approaches to lift performance. How many schools have been supported since the new model was implemented?

The Department's School Success Model complements other school improvement work and support currently under way such as the curriculum review reforms and will help ensure that every student, teacher, leader and school improve every year. The model uses evidence from different aspects of school performance to direct and customise support to schools more effectively.

Under the School Success Model, three types of support are being developed across initial target areas including reading and numeracy. These supports are categorised as:

- Universal support - self-service, evidence-based and quality-assured learning and school improvement resources tailored to identified focus areas available to all schools online.
- Guided support - targeted guidance in utilising universal resources for a focus area at schools which require additional support.
- Strategic support - intensive and customised support with hands-on assistance from specialists for a particular focus area at schools requiring more hands-on support to uplift performance for a whole range of contextual reasons.

Directors, Educational Leadership play a key role in supporting schools engaged in Strategic Support. They are actively engaged in confirming schools' readiness and ensuring successful implementation of support.

All schools have access to evidence-based supports. Schools where improvement outcomes are more challenging to obtain are receiving strengthened support and direction. In 2021, 56 schools have received strategic support in reading and numeracy, and 75 schools have received strategic support for financial management. An additional 397 schools have engaged in guided support in reading and numeracy, and 122 schools have engaged in guided support for improving attendance. The support provided to schools will be evaluated and refined over time, to ensure that every student benefits from the very best teaching methods.

The Department continues to clarify its expectations for schools and school leaders. For example, it is now a requirement that all NSW government schools develop and publish a Strategic Improvement Plan. These plans have specific mandatory requirements and targets and details the steps each school will take to improve learning outcomes, and the achievement and growth of all students. Each Strategic Improvement Plan underwent a quality assurance process before approval by the Director, Educational Leadership.

Recommendation 8: Improve training and support to lift the financial management capabilities of school principals, business managers, and Directors, Educational Leadership. How many of the 200 schools supported in 2020 have been able to reduce their accumulated balances?

The Department continues to build on its investment to support schools to improve their financial management and ensure that funds are expended in the year for which they are intended.

This work has included ongoing training to uplift school capability in the use of fit-for-purpose financial planning and reporting tools. This training supports all schools to create and monitor budget plans that align resource use to the achievement of strategic objectives – in line with each school's Strategic Improvement Plan.

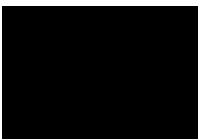
In terms of targeted support, during late 2020 and early 2021, Coaching for Financial Performance was delivered to 200 schools who had high accumulated funds.

Each of these 200 schools has been supported to put a plan in place for spending down their accumulated balances by December 2024. Of the 200 schools, 179 have reduced their accumulated balance in the period since January 2021, in line with their plan. The Department continues to provide check-in support to ensure these schools execute their plans.

Under the School Success Model, a new Strategic Financial Support Model has also been developed and launched in schools during Term 4, 2021. This coaching based program targets schools who need it most, and results in action plans for all staff involved in investment planning, decisions and using supporting systems and tools.

In terms of general policy supports, the Schools Carry Forward Policy (<https://education.nsw.gov.au/policy-library/policies/pd-2021-0475>) was introduced in April 2021. This policy gives schools clarity on expectations to *spend today's funds on today's cohort of students* in alignment with school Strategic Improvement Plans and provides for schools to spend their accumulated funds balances evenly across the four-year period up to December 2024 to support uplifting educational outcomes.

Yours sincerely



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SECRETARY
DEPARTMENT OF EDUCATION
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