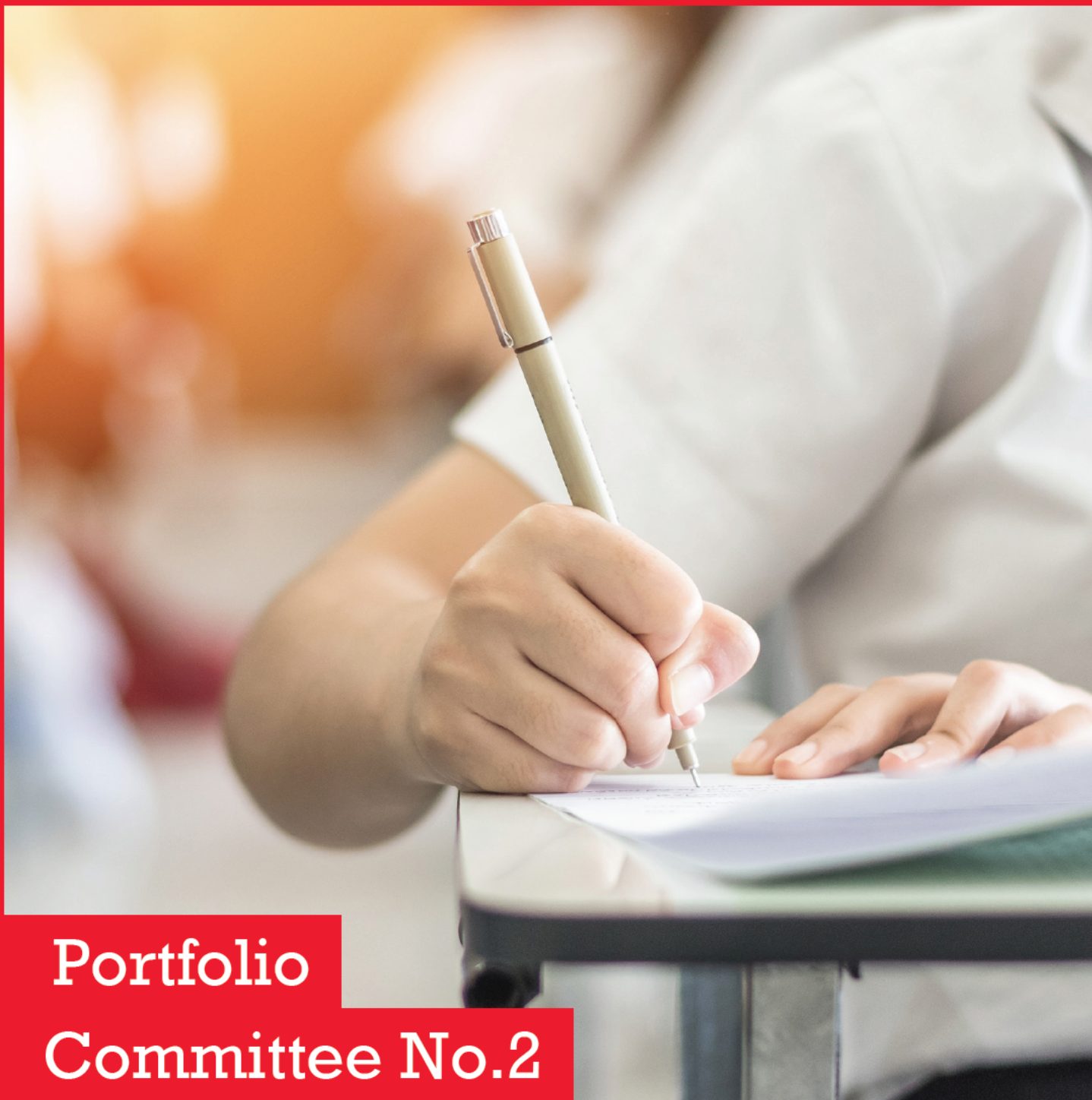


**Submission
No 13**

**INQUIRY INTO MEASUREMENT AND OUTCOME-BASED
FUNDING IN NEW SOUTH WALES SCHOOLS**

Organisation: Public Service Association of NSW

Date Received: 30 August 2019



Portfolio Committee No.2

**Inquiry into measurement and outcome-based
funding in New South Wales schools**



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Authorised by Stewart Little, General Secretary, Public Service Association of NSW

CONTENTS

| | |
|--|----|
| Foreword..... | 2 |
| Glossary..... | 4 |
| Response to Term (b): measurement systems..... | 5 |
| Response to Term (c)(i): disadvantaged schools..... | 7 |
| Response to Term (c)(ii): students with a disability..... | 10 |
| Response to Term (c)(vi): Local Schools Local Decisions..... | 12 |
| Response to Term (d): funding into the future..... | 18 |
| Response to Term (f): wrap-around services..... | 19 |
| Overview of Recommendations..... | 21 |
| Attachment A..... | 22 |

Foreword

The provision of funding based on outcomes and performance is not a new phenomenon. It is part of a larger trend and discourse of managerialism and markets which has pervaded the Australian public sector since at least the 1950s, emerging in political and economic theory in the 1970s and 1980s as ‘neo-liberalism’ and ‘new public management’.¹

This model encourages the advancement of a managerialist state, a policy context that focuses on “performative measures, market forces for quality control/improvement and the pursuit of global competitiveness.”² Encouraged by global governance bodies including the OECD and the World Bank, education sectors across the world have for decades been subjected to autonomy reforms with the goals of “dismantling bureaucratic authorities” and “fostering schools as semi-autonomous enterprises”.³

This model as the basis of public sector reform is complicated, controversial and contested, and emphasises choice and competition rather than equity and need.

The state of New South Wales has been far from immune from these reforms. With policies including *Local Schools Local Decisions* (LSLD), NSW schools have already been re-organised around business principles such as competition, flexibility, innovation and outputs. Shifting to an education funding model based on outcomes rather than needs is simply the State continuing along its neoliberal trajectory.

In the 2019-20 state budget, the NSW Government declared that the NSW Department of Education would be the first department to make a significant shift to outcome budgeting, with the claim that this shift would “provide young people with the best educational outcomes in Australia”.⁴ This effectively means that the children of NSW are set to be used as the guinea pig for a new public sector funding model. The Association is highly skeptical of this experiment.

The NSW Government is yet to provide a detailed definition of what these “outcomes” determining school funding will be. According to the Budget website⁵, outcome budgeting will ensure “value for money.” The question in terms of Education is how do you assess that value? What are the outcomes that need to be achieved? Will they be based on how well a school manages its budget? Will they be based on cultural findings, such as successful results in a reduction in bullying? Will they be based on standardised test results? Without the precise definition, the Association can only speculate. In the following submission, the Association takes the educated guess that these outcomes will largely be

¹ Jonathon Laurence Hynes Halloran, *Accounting Technologies and New Public Management; a Field Study in a NSW Public School* (Master of Accountancy-Research Thesis, School of Accounting, Economics and Finance, University of Wollongong, 2014) 43

² Eacott, S. (2011), ‘Liberating Schools through Devolution: The Trojan horse of the state’, *Leading & Managing*, Vol. 17, No. 1, p76

³ Gobby, B., Keddiar, A. and Blackmore, J. (2018), ‘Professionalism and competing responsibilities: moderating competitive performativity in school autonomy reform’, *Journal of Educational Administration and History*, Vol. 50, No. 3, p161

⁴ NSW 2019-20 Budget Paper No. 1 – Budget Statement, p8-10.

⁵ NSW Treasury (2019), ‘Outcome Budgeting’, <https://www.budget.nsw.gov.au/outcome-budgeting>, accessed 24 July 2019.

determined by test results. Based on this speculation, this submission therefore offers advice as well as warnings to the NSW Government.

The Public Service Association of New South Wales is the primary union covering administrative and support staff in NSW Public Schools. Our members work in NSW state government schools, in roles directly working with and supporting students such as School Learning Support Officers working with children with disabilities and behaviours requiring support, Aboriginal Education Officers and Community Liaison Officers. They also work in administrative roles ranging from Administrative Managers, Business Managers and Administrative Officers in the school office as well as the library and food and science laboratories. We also cover outdoor staff including General Assistants and Farm Assistants. The Public Service Association of New South Wales is a state-registered employee organisation. For the purposes of this submission, the PSA will be referred to as 'the Association'.

The proposal to provide school funding based on outcomes will fail the children of NSW if it does not take into account the vastly diverse contextual information and needs of each school and each student, as well as the existing strains on schools and their staff.

As a member of the Association has said:

"How could funding be based on outcomes without knowing your students. How could this be measured and recorded?? I can see this to be an increased workload on already physically and emotionally stretched both SAS and teaching staff."

The current needs-based system may have its problems, but the Association takes the position that it is better to work through existing issues rather than overhaul the entire system yet again. A primary concern of the Association is that an outcome-based model will focus on those students capable of achieving high test scores, while reducing expectations for those who are not.

The following submission contains recommendations that would help level the playing field if outcomes-based funding is to replace needs-based funding in NSW. However, it is the overall recommendation of this submission **not** to introduce outcomes-based funding to NSW schools.

The Association thanks the Committee for its work and interest into this matter of great public importance and looks forward to providing any other assistance that may be required.

Yours sincerely,

 Stewart Little

General Secretary

GLOSSARY

IEP – Individual Education Program

LMBR – Learning Management and Business Reform

LSLD – Local Schools Local Decisions

PISA – Programme for International Student Assessment

RAM – Resource Allocation Model

SAM – School Administrative Manager

SLSO – School Learning Support Officer

SSP – Schools for Specific Purposes

(b) the existing state of measurement in the New South Wales education system and the measurement systems and data requirements that would be required to implement outcome-based budgeting in the New South Wales education system

This submission addresses this term of reference in broad terms: the current context and status of the implementation of managerialist reforms in the public education system, and the current and likely future impacts of measurement systems and data requirements.

In NSW public schools, the model of *Local Schools Local Decisions* (LSDL) has been the vehicle for devolved budgeting, enterprise planning and accrual accounting, thus increasing the number of roles in schools and weakening traditional educational leadership and threatening the capacity to focus on the needs of the individual student.⁶

Despite the claimed benefits of the devolution of school decision making, the commentary suggests that these appear to be more rhetorical than real, and that there is a genuine concern that devolution is simple a façade for cutting funding and thus avoiding the political consequences of government budget decisions.

A move to a results based model for school funding will exacerbate this trend, and further stretch administrative and educational capacity in schools. Further, it is unclear whether the proposed outcomes-based model will use the same categories of funding currently in use (Attachment A).

Other factors that will influence measurement will be the impact of Local Schools Local Decisions (LSDL). This initiative has enabled school leaders to allocate funds outside the staffing formulas and the funding provided for students with disability and disadvantaged schools. It would appear that at present there is no comprehensive tool to measure the effectiveness of these decisions. While NAPLAN is one tool that can be used to make assessments it is a very blunt instrument. Again, it would take a sophisticated tool to take these issues into account to accurately determine the outcomes.

Whatever the model envisaged under this proposal it would be expected that it would continue to demand more accountability systems and measures whether locally or centrally thus compounding the already discernible trends which diminish the capacity for educational leadership, or require greater layers of oversight or centralisation, or both, and greater or better resources.⁷

The Learning Management and Business Reform (LMBR) program illustrates this contention. LMBR underpinned the progressive introduction of LSDL has attracted criticism from the Auditor –General⁸ as well as the Association for its inadequate change and project management including delays; the cost of implementation and the lack of support for staff during transition.

⁶ NSW Department of Education and Communities (May 2014), *Fact Sheet*.

http://leadershipforlearningoutcomes.com.au/Local_Schools_Local_Decisions_Fact_Sheet accessed 9 August 2019.

⁷ *Through Growth to Achievement: Report of the Review to Achieve Educational Excellence in Australian Schools*, March 2018, 86.

⁸ Audit Office of NSW, *The Learning Management and Business Reform Program*, Department of Education and Communities, Dec 2014.

Various aspects of this program remain problematic. Most notably the roll out of the Systems, Applications and Products (SAP) Payroll system and the budgeting and cost allocation tool Work Breakdown Structure Internal Orders (WBS-IO). Throughout implementation there have been numerous problems with both of these parts of the system, many of which are still affecting staff and subsequently students. The implementation of the SAP payroll system resulted in a range of issues with the way in which staff were paid with incorrect payments or no payment at all.

WBS-IO is the tool which is used to input cost allocations so that Principals can properly budget appropriately for their school. However, this tool does not accurately allocate the funds available, in fact 83% of members have expressed to the Association that the reports extracted from the current system, WBS-IO, systems are reporting from WBS-IO is inaccurate. The consequences of these inaccuracies in WBS- IO reporting are that Principals' cannot be confident of their budget or the funds available to support learning outcomes for students.

While it is the current position of the Association is that these systems are completely inadequate for the current method of funding allocation in schools, it is our contention that they will be totally incapable of supporting an outcomes based model approach. When surveyed 75% of members reported that the current systems do not track outcomes, and 100% reported that the implementation of new systems that could do this would be a significant increase in workload requiring additional administrative resources and staff at their school.

The Department's size and complexity, and the known difficulties that have challenged its capacity to deliver systems mitigates against the introduction of an outcomes-based system.

The Association remains steadfast in our view that the NSW Government should not introduce outcomes based funding to NSW schools.

Recommendations:

- **That the current measurement systems cannot be reviewed in the context of supporting outcomes based funding.**

(c) (i) the needs of and impact on disadvantaged schools and students from a disadvantaged background

In shifting the funding model from needs-based to outcomes-based, there is a danger that already disadvantaged schools and students will be put at a further disadvantage. This danger must be addressed.

If the outcomes determining school budgets are based solely, or even partly, on standardised test results and overall academic performance, the Association is concerned that this will ultimately reduce the expectations on schools and students from disadvantaged background. The concern is that the bar will be set low enough for all students to achieve adequate outcomes and that focus will be taken away from ensuring each individual student achieves their personal best.

“Disadvantaged” in this submission refers to students from low socio-economic (SES) backgrounds, culturally and linguistically diverse (CALD) students, schools with high proportions of these students, as well as regional schools. Since 2012 there has been a steady increase in the number of CALD students in NSW schools, as well as rises in students with other disadvantages (Attachment A). As discussed in Term 1(b), it is unclear whether the proposed outcomes-based model will use the same categories of funding currently in use (Attachment A).

School culture at the local level can have a significant impact on the outcomes for students. Australia has a strong concentration of students in designated low socioeconomic schools, reinforcing a causal link between socioeconomic status and educational outcomes as assessed by the OECD.⁹ The socio-economic status of students has proven to be a major factor in school performance with many disadvantaged schools across Australia achieving results more than one year behind the national average.¹⁰ Research on NAPLAN and international equivalents in the US and the UK has found that focussing on standardised test results simply reaffirms disadvantage for low socio-economic and linguistically diverse students.¹¹

As Eacott (2011) has said, “the results of standardised testing have more to do with the difference between those who have the necessary social capital to participate in the game of schooling and those that do not.”¹² As will be discussed when addressing wrap around services, students from more advantaged background have access to additional educational services, such as tutoring, which increases their ability to perform well in standardised tests. Not only do they have greater access to additional educational resources, students from advantaged backgrounds are more likely to inherit the

⁹ Gavin, M. and McGrath-Champ, S. (2017), ‘Devolving authority: the impact of giving public schools power to hire staff’, *Asia Pacific Journal of Human Resources*, Vol. 55, p260

¹⁰ Jackson, K. and Lamb, S. (2019), ‘What makes a school good? It’s about more than just test results’, *The Conversation*, <https://theconversation.com/what-makes-a-school-good-its-about-more-than-just-test-results-114372>, accessed 18 July 2019.

¹¹ Bousfield, K. (2019), ‘NSW budget: giving schools extra money only if they meet ‘outcomes’ can hamper teaching standards’, *The Conversation*, <https://theconversation.com/nsw-budget-giving-schools-extra-money-only-if-they-meet-outcomes-can-hamper-teaching-standards-119087>, accessed 18 July 2019.

¹² Eacott, S. (2011), ‘Liberating Schools through Devolution: The Trojan horse of the state’, p80

fundamental knowledge of how and why to learn.¹³ Students from disadvantaged backgrounds are unlikely to inherit this knowledge and therefore rely more heavily on schools to build their skills for learning.

Jackson and Lamb have written that the most effective schools are not necessarily the highest academic performers, they are the schools that “yield better-than-anticipated results, bringing the best out of every student regardless of background.”¹⁴ If an outcomes-based funding approach is taken by the NSW government, these outcomes must be tailored with the individual circumstances of each child in mind and not simply on standardised test results.

As a member of the Association has written:

“Disadvantaged students or students with disability often struggle just to get to school, let alone achieving outcomes. This is especially relevant for students from disadvantaged backgrounds. Priorities such as being in uniform, having lunch and arriving at school at all, let alone on time are more relevant than what outcomes they meet.”

Impact of LSLD on disadvantaged schools

The *Local Schools Local Decisions* policy further compounds the disadvantage of low-SES and CALD schools and students and also impacts regional and remote schools.

Regional and remote schools are often impacted by the ‘localisation effect’ which refers to the high staff turnover of regional schools due the lower concentration of teachers and to metropolitan teachers returning to major towns and cities after only short stints at regional and rural schools.¹⁵ This puts students in regional areas at a disadvantage because they lack the stability and continuity more often provided at schools in metro areas.

Schools with high concentrations of low-SES and/or CALD students are often characterised as “hard-to-staff.”¹⁶ While some argue that *Local Schools Local Decisions* empowers schools to make flexible staffing and hiring decisions and better cater to their unique contexts, this benefit loses its shine at a school that already struggles to find skilled and suitable staff.

Devolving decision-making authority to the school level can have a positive impact on student outcomes, but not in all contexts. As the implementation of the National Disability Insurance Scheme (NDIS) in NSW has demonstrated¹⁷, the benefits of market-based ideology of choice and control, or, in education rhetoric, *Local Schools Local Decisions*, are circumstantial rather than universal. As Gonski 2.0 noted, devolution, “needs to take into account the school leader’s capability... Without this capability,

¹³ Jackson, K. and Lamb, S. (2019), ‘What makes a school good? It’s about more than just test results’

¹⁴ Jackson, K. and Lamb, S. (2019), ‘What makes a school good? It’s about more than just test results’

¹⁵ Gavin, M. and McGrath-Champ, S. (2017), ‘Devolving authority: the impact of giving public schools power to hire staff’, p259

¹⁶ Gavin, M. and McGrath-Champ, S. (2017), , p256

¹⁷ Public Service Association of NSW and Community and Public Sector Union NSW (2018), *Submission No 343* to the Inquiry into Implementation of the National Disability Insurance Scheme and the Provision of Disability Services in New South Wales

there is a risk that structural autonomy provided by systems may have no impact, or a negative impact.¹⁸ Schools in more advantaged contexts are far more likely to be equipped with school leaders and community members with the skills and sufficient status to participate as equals in the decision-making process, and therefore achieve strong student outcomes.¹⁹ We cannot let disadvantaged schools fall further behind simply because they lack these advantages.

Solutions

Gonski 2.0 findings concluded that schools were more successful, no matter their advantage or disadvantage, if a team based approach is taken by school leaders.²⁰ This approach should include all staff, teaching and non-teaching.

To create a culture where the child and their education is the centre of all staff focus and where they work together is something that requires skilled leaders. As Gonski 2.0 expressed, many school principals are not being effectively supported through their changing work landscape.²¹ Some school leaders have a natural ability to create a teamwork-based school culture. Others will need to be trained in order to achieve this.

It is the position of the Association that an outcomes-based funding model will have an overall detrimental effect on disadvantaged schools and students.

Recommendations:

- **That the outcomes determining funding are not based solely on standardised test results, but rather on the individual circumstances and needs of each child.**
- **That the funding categories to be used in an outcomes-based funding model be confirmed, and that appropriate consultation is provided on these categories.**
- **That training in teamwork-based school culture be provided to all school leaders in NSW**

¹⁸ Department of Education (2018), *Through Growth to Achievement: Report of the Review to Achieve Educational Excellence in Australian Schools*, Canberra, p89

¹⁹ Carr-Hill, R., Rolleston, C. and Schendel, R. (2016), *The effects of school-based decision making on educational outcomes in low-and-middle-income contexts: a systematic review*, Campbell Systematic Reviews, Norway, p10

²⁰ Department of Education (2018), *Through Growth to Achievement: Report of the Review to Achieve Educational Excellence in Australian Schools*, Canberra, p84

²¹ Department of Education (2018), *Through Growth to Achievement: Report of the Review to Achieve Educational Excellence in Australian Schools*, Canberra, p82

(c) (ii) the needs of and impact on students with a disability

Like the impact the proposed new funding model will have on disadvantaged students, the Association is highly concerned that an outcome-based model will reduce expectations on students with disability and will consequently reduce the achieved outcomes for these students.

67 per cent of the Association's surveyed membership fear that outcome-based funding would have an impact on how schools support students with disability.

Standardised testing creates barriers for students with disability because there is no standard disability. This presents major challenges in assessing the learning outcomes of students with disability through the use of standardised tests. The Association fears that students with disability will be left behind as schools turn their focus to ensuring that the more academically-capable students achieve the outcomes the school needs to secure its funding.

Needs-based funding, if adequately provided, by its nature ensures the student can receive all the services they need for a comfortable life and then learning is possible. Each of these students has an Individual Education Program (IEP) which includes achievements for that student. Outcome-based funding is likely to lead to a lowering of expectations in IEPs to ensure students did not 'fail' in their achievements. Many students are not aware of what they can achieve unless they are pushed to achieve at high levels. If expectations are lowered, then achievement outcomes are likely to be lowered too.

The needs of students with disability are incredibly diverse and often complex. Some students in Schools for Specific Purposes (SSP), for example, need high level and constant health care. As a School Learning Support Officer (SLSO) has told the Association, the health issues endured by these students include, "seizures requiring the administration of schedule four medications - often times an ambulance is required, aspiration, gastrostomy button falling out... and children who stop breathing." This highlights the absolute need of SLSOs to ensure the learning of students with disability, but also for all other students in the class. SLSOs provide students with disability with an added level of care which also enables teachers to concentrate on the lesson and the individual learning styles of each student. School funding for SLSOs is currently not enough.

A member who is a SAM has told the Association:

Current funding through RAM is not sufficient to provide support to students both identified as requiring assistance and those that aren't.

The few students we receive funding for is nowhere near enough to provide the one on one support required in the classroom. Our SLSO staff are stretched over the school and staffroom not only supporting in class but also managing medication and mental health issues including mandatory reporting.

Funding currently does not consider the increasing disabilities, disorders, mental health issues, domestic abuse/violence and physical violence. Our SLSO staff are privy to very confronting and emotionally demanding situations for our youth well beyond supporting them with their educational needs within classrooms.

The needs of students in **Juvenile Justice Centres** is also important to consider if implementing a new funding model, particularly given that many of these students have learning difficulties or diagnosed behavioural problems. Outcomes for these students are also complex: students who have been the subject of physical abuse or who have substance abuse problems or damage may take a long while before they can achieve outcomes. Like students in SSPs they have IEPs and for similar reasons run the risk of having expectations lowered by an outcome-based model rather than a needs based model that can push students to achieve.

As demonstrated above, the health issues of students with disability often interrupts their learning time and therefore the overall amount of learning time available to those students is limited. It also means that there may be a low capacity, even with the full gamut of services available, of the student to undertake academic learning. An outcome-based funding model which includes students with disability could risk these students' capability to reach an appreciable level of education.

As academic Jacqueline Joy Cumming has observed, "often, the outcome of standardised tests is reinforcement for students with disability that there are things they can't do that students without disability can. Everyone should be given the opportunity to show what they know regardless of disability".²²

Recommendations:

- **That the outcomes of students with a disability not be included in the funding provided based on outcomes**
- **That funding for schools with students with a disability continue to be needs-based, not outcome-based.**
- **That all schools with students with disability are equipped with the appropriate number of SLSO staff.**

²² Cumming, J.J. (2017), 'Standardised tests limit students with disability', *The Conversation*, <http://theconversation.com/standardised-tests-limit-students-with-disability-86763>

(c) (vi) the effectiveness of the Local Schools Local Decisions policy

In a recent survey of our members, the Association asked, *has the implementation of Local Schools Local Decisions improved outcomes and the performance of students at your school?* 85 per cent said either “no” or, “unsure.” After seven years of operation, this does not reflect well on LSLD.

Evidence from the United States suggests that there can be a time lag of up to eight years between the implementation of a school-based management model and any observable impact on student test scores.²³ With LSLD implemented in 2012, NSW is nearing the eight year mark and the latest NAPLAN results²⁴ don’t exactly point to an improvement in test scores.

International comparison

The impact of devolution on teachers’ ability to do their everyday jobs has been well-documented worldwide, in places as diverse as Chile, Kenya, New Zealand, Poland, Scotland, Turkey and the US.²⁵ Countries which do not have devolutionary education policies, or which do not use them widely, are still very much capable of achieving strong outcomes. For example, Canada has a much lower level of school-based autonomy, and yet significantly outperforms Australia in Programme for International Student Assessment (PISA) results.²⁶

Finland is now commonly cited as a leading example of educational excellence.²⁷ Finland’s education system is captured by Hancock(2011)’s description:

“There are no mandated standardized tests in Finland, apart from one exam at the end of students’ senior year in high school. There are no rankings, no comparisons or competition between students, schools or regions. Finland’s schools are publicly funded. The people in the government agencies running them, from national officials to local authorities, are educators, not business people, military leaders or career politicians. Every school has the same national goals and draws from the same pool of university-trained educators. The result is that a Finnish child has a good shot at getting the same quality education no matter

²³ Carr-Hill, R., Rolleston, C. and Schendel, R. (2016), *The effects of school-based decision making on educational outcomes*, p14-15

²⁴ ABC News (2019), ‘NAPLAN results spark further calls for overhaul of student testing system’, <https://www.abc.net.au/news/2019-08-28/naplan-results-further-calls-for-overhaul-of-tests/11454966>

²⁵ Wilson, R. and McGrath-Champ, S. (2018), ‘New research shows NSW teachers working long hours to cope with administrative load’, *The Conversation*, <https://theconversation.com/new-research-shows-nsw-teachers-working-long-hours-to-cope-with-administrative-load-99453>, accessed 19 July 2019.

²⁶ Department of Education (2018), *Through Growth to Achievement: Report of the Review to Achieve Educational Excellence in Australian Schools*, Canberra, p90

²⁷ Doyle, W. (2016), ‘This is why Finland has the best schools’, *The Sydney Morning Herald*, <https://www.smh.com.au/national/this-is-why-finland-has-the-best-schools-20160325-gnqv9l.html>

whether he or she lives in a rural village or a university town. The differences between weakest and strongest students are the smallest in the world, according to the OECD.”²⁸

Finland has an education system that is run by educators as opposed to bureaucrats. Academics have attributed Finland’s success in international rankings to “collaboration, creativity, trust in teachers and principals, professionalism and equity.”²⁹ Finland does not conduct standardised testing on its students. Instead, children are assessed every day with check-ins and quizzes by their teachers.³⁰ As a principal in Helsinki has been quoted saying, “If you only measure the statistics, you miss the human aspect.”³¹

Pasi Sahlberg, a Finnish father who recently moved to Australia has reflected in an article for the ABC that the idea that he and his partner had to “find” the best school for their children was astounding. In Finland, all schools are public schools and all schools are equipped with the same opportunities. Sahlberg wrote, “this privilege is not a lucky coincidence but the result of deliberate public policies that view education as a human right rather than a commodity.”³²

²⁸ Hancock, L. (2011), ‘Why are Finland’s Schools Successful?’, *The Smithsonian*,

<https://www.smithsonianmag.com/innovation/why-are-finlands-schools-successful-49859555/>

²⁹ Horwood, M., Parker, P.D. and Riley, P. (2019), ‘One in three principals are seriously stressed, here’s what we need to do about it’, *The Conversation*, <https://theconversation.com/one-in-three-principals-are-seriously-stressed-heres-what-we-need-to-do-about-it-110774>, accessed 18 July 2019.

³⁰ Doyle, W. (2016), ‘This is why Finland has the best schools’

³¹ Hancock, L. (2011), ‘Why are Finland’s Schools Successful?’,

³² Sahlberg, P. (2019), ‘Australia must fix school inequity to create a top education system’, *ABC News*,

<https://www.abc.net.au/news/2019-08-14/australia-must-fix-school-inequity-for-top-education-system/11412438?sf217501735=1&fbclid=IwAR1gcybECTXVadmtm6IPtZCE-PZNUohg4YSf7yR-V2yJcyAtmw6JluqiYmQ>

LSLD has led to a lack of central co-ordination of:

| | |
|--|--|
| Educational programs | While there may be overarching programs, each Principal is able to determine how this aligns with their school. Programs may not be offered as the Principal may not have an affinity with that particular need. |
| Staff training | Ad hoc and personality driven. There are equity issues not only with the budget spend on training for our members, they are often in competition for access to training which is diverted to teachers. |
| Support for students in classrooms | Again, this is ad hoc. A principal determines what support is provided in the classroom, whether this relates to equipment or personnel. |
| Non-standard approach to working environments | Each school is run differently. Local arrangements vary. This makes succession planning and mobility problematic. |
| Increased complexity of workloads | While the DoE may have agency wide processes and procedures, principals often use LSLD as authority to diverge to better suit the needs of their schools. Eg Pcard and purchasing processes can vary. |
| Under-resourcing of SAS staff | SAS Staff are often expected to shoulder the burden of staffing resources. SLSOs are rarely provided immediate relief due to short term unplanned absences such as sick leave. Salary funds can be diverted away from support staff to teachers. |
| Security of employment, personality-based, nepotism/cronyism | When considering SLSOs, there is a continued reliance on rolling contracts. Long term temporary staff are often not given a contract based on personality issues. Or, that the Principal engages in nepotism/cronyism to staff SLSO requirements. 69 per cent of members have told the Association that LSLD has led to an increased in temporary staff. |
| Pressure to undertake works which exceeds skill base to ensure contract continues | Pressure on SLSOs to perform work that may exceed their knowledge and skills base simply to ensure they have employment. Members often tell us: <i>"If you won't do this, then I will find someone who will."</i> |
| Shift of focus from education to budget | Schools are no longer education based, but driven by money and managing the bottom line. Schools are now a business rather than education provider. Schools are doing more with less – physical resources (staff) or equipment/facilities. |
| WHS considerations | Work overload and intensification based on a Principals spending decisions on staffing numbers can lead not only to psychological injury but physical injury. School staff, particularly SLSOs, are regularly subjected to incidents of spitting, biting, kicking and punching from students. The Association understands that our members are often told not to report these incidents. |
| Staff well-being and job satisfaction | Student educational outcomes deteriorate. Happy, secure, resourced staff will lead to a positive learning environment increasing student educational outcomes. |
| Funds mismanagement | By this, the Association does not mean fraud. High level budget responsibility of huge sums of public funds has been devolved to untrained staff – Principals are not accountants, nor are SAMs/BMs. A principal may be a whizz bang educator, but this does not necessarily translate into a good money manager. LSLD has shifted a Principals focus from education based to finance based. It's all about the bottom line now. |
| Unwillingness to intervene | The DoE is unwilling to intervene and over-rule a principal once a decision is made locally. |

Work overload

A well-documented consequence of LSLD is the increased workload it has placed on school staff, including principals, teachers and administrative support staff. The 2018 Australian Principal Occupational Health, Safety and Well-being Survey, found that many NSW school leaders are “at breaking point”.³³ The 2018 Understanding Work in Schools report³⁴ found that 87 per cent of NSW teachers have had an increase in workload since the implementation of LSLD. The report concludes that the new and increasing administrative requirements are affecting teachers’ capacities to teach and that “immediate action is needed” to abate this.³⁵

Published in 2018, the Gonski 2.0 report, *Through Growth the Achievement: Report of the Review to Achieve Educational Excellence in Australian Schools* agreed that school leaders are “over-stretched” and are spending too much time on administrative tasks, particularly in devolved systems like that of NSW. In order to lift student outcomes, says Gonski 2.0, school systems and schools need to allow principals to spend less time on administrative tasks in favour of higher-value activities.³⁶

Solution to work overload

The two largest sources of stress for school leaders within LSLD have consistently been the quantity of work, and lack of time to focus on teaching and learning.³⁷ As a way of relieving this, Gonski 2.0 recommended “appointing more dedicated administrative resources to schools” as one of the ways to reduce the administrative workload of principals and teachers.³⁸ As a representative of school administrative staff, the Association stresses that principals and teachers are not the only school staff suffering increased workloads due to LSLD. A recent survey of our members found that 77% of SAS staff have had their workloads impacted by LSLD.

The Association acknowledges the efforts of the NSW Government to address the additional administrative burden on school leaders, in the 2017 and 2018 investments in initiatives such as hiring more support staff, such as business managers.³⁹ However, the Association does not believe these additional resources have done enough to resolve the LSLD problems.

³³ Horwood, M., Parker, P.D. and Riley, P. (2019), ‘One in three principals are seriously stressed, here’s what we need to do about it’

³⁴ Wilson, R. and McGrath-Champ, S. (2018), ‘New research shows NSW teachers working long hours to cope with administrative load’

³⁵ Wilson, R. and McGrath-Champ, S. (2018)

³⁶ Department of Education (2018), *Through Growth to Achievement: Report of the Review to Achieve Educational Excellence in Australian Schools*, Canberra, p85

³⁷ Horwood, M., Parker, P.D. and Riley, P. (2019)

³⁸ Department of Education (2018), *Through Growth to Achievement: Report of the Review to Achieve Educational Excellence in Australian Schools*, Canberra, p88

³⁹ NSW Government (2017), ‘Support for principals to focus on leadership’, *Media release*, https://education.nsw.gov.au/our-priorities/strengthen-teaching-quality-and-school-leadership/school-leadership-institute/media/documents/Support-for-principals-to-focus-on-leadership_media-release.pdf

Additional administrative resources to schools help to, at least temporarily, alleviate work overload of all school staff, including principals, teachers and school existing administrative staff. But this is a band aid solution to a complex problem. The real solution lays in the acknowledgement that not every NSW school fits the *Local Schools Local Decisions* model. Many schools, particularly those in disadvantaged areas, would function better and achieve better outcomes for their students without the burden of autonomy.

LSDL is an ideology

Martin and Macpherson (2015) have written that the NSW government introduced LSDL “using economic rationalism (to improve efficiency and effectiveness)” and justified it by “using egalitarian liberalism (which aims to maximise freedom of choice while ensuring that any inequalities benefit the worst off)”.⁴⁰ By implementing LSDL, the Department of Education has devolved responsibility to the local manager (Principal) for all aspects of education. In theory, this devolution process gives the local community more opportunity to engage in determining priorities for budget spending, but is this the reality?

Firstly, the policy is personality based. It requires a principal to have a commitment to learning which may not align with the needs of students or staff. LSDL places the opportunity in the hands of the principal, meaning it is up to the principal to then share that opportunity with the community. Secondly, it prompted a series of cuts to centralised support services,⁴¹ meaning that schools struggling with the devolved system have fewer places to turn to for help. Thirdly, and most importantly, LSDL is the devolution of responsibility without the devolution of power or control, which ultimately renders the vision of community-led education useless.

Critics of LSDL have accused it of being “more rhetoric than reality,”⁴² and “state control thinly disguised as empowerment.”⁴³ Eacott (2011) warned that devolving of schools is little more than a “Trojan horse of the state:”⁴⁴ a ruse to allow the State to take a “step back” from hands-on responsibility and instead step into a role of monitoring and control.⁴⁵ It has created a system where a school’s ability to be independent, is *dependent* on the government’s rules and funding allocations. Where is the autonomy in that?

While school autonomy reforms boast of principals’ freedom to manage, that freedom is shaped by regimes of management and performativity, the available resources (staff,

⁴⁰ Martin, N. and Macpherson, R. (2015), ‘The Politics of the Local Schools Local Decisions Policy in a New South Wales Public School: Implications for principals and the state’, *Leading and Managing*, Vol. 21, No. 1, 2015, p36

⁴¹ Wilson, R. and McGrath-Champ, S. (2018), ‘New research shows NSW teachers working long hours to cope with administrative load’

⁴² Eacott, S. (2011), ‘Liberating Schools through Devolution: The Trojan horse of the state’, p76

⁴³ Eacott, S. (2011), p81

⁴⁴ Eacott, S. (2011), p77

⁴⁵ Wilson, R. and McGrath-Champ, S. (2018)

*buildings, funding), their location, and their reputation and image relative to other schools.*⁴⁶

As this submission has noted in clause (c)(i), the LSLD policy is failing to lift schools up. As Gonski 2.0 observed, “there is no one-size-fits-all approach” to school autonomy.⁴⁷ The vast differences in schools’ advantages and disadvantages – and therefore their ability to perform autonomously must be taken into consideration. There is therefore no one-size-fits-all LSLD policy, and no one-size fits all outcomes-funding model.

Recommendation:

- **That the NSW Government conduct a review, assessing the effectiveness of the current *Local Schools Local Decisions* policy and that alternatives are considered which are consistent with needs-based educational delivery.**

⁴⁶ Gobby, B., Keddiar, A. and Blackmore, J. (2018), ‘Professionalism and competing responsibilities: moderating competitive performativity in school autonomy reform’, p164

⁴⁷ Department of Education (2018), *Through Growth to Achievement: Report of the Review to Achieve Educational Excellence in Australian Schools*, Canberra, p90

(d) how schools should be funded into the future and whether New South Wales growth funding, including from Gonski and other sources, should be linked to outcomes and performance

Currently, student funding is based on student need, and has been developed and operates in NSW public schools under the RAM (Resource Allocation Model) where changes in school funding result from student need or student enrolment.

The Gonski Review Panel's considerations and recommendations were based on minimum and targeted resource standards determined objectively, aimed to increase opportunity, transparency and equity. However, author and former teacher, Gabriele Stroud, critiqued Gonski 2.0, saying:

*So it seems the proposed new model for education will still be driven by the same old engine: data, accountability, outcomes, and ultimately the economy. Rather than bravely stepping into the 21st century of education and removing layers of standards and assessment, Gonski 2.0 is just another re-badged industrial model still obsessed with assessment, accountability and academic achievement.*⁴⁸

The NSW Government should provide for all students regardless of location, background, disadvantage, disability, or the outcomes they achieve.

The current needs-based system may have its problems, but the Association takes the position that it is better to work through existing issues rather than overhaul the entire system yet again. Introducing a new funding model based on outcomes is risky and ultimately futile. It will not solve the existing problems; it will simply add to them.

Recommendation:

- **That the current needs-based funding model remain in place and that the NSW Government works to refine the existing system, rather than replace it.**

⁴⁸ Stroud, G. (2018), 'Gonski 2.0 would overburden already stretched teachers, ABC News, <https://www.abc.net.au/news/2018-05-03/gonski-2.0-teachers-students-australian-schools-reform/9718440>

(f) the provision of wrap-around services to support educational outcomes

With the Terms of Reference lacking a definitive meaning of the term ‘wrap-around services’, the Association has taken it to mean additional educational and support services including but not limited to: Occupational Therapy, Out of Home Care (including social events such as Friday night football coaching), tutoring, coaching, and sports and music programs.

82 per cent of PSA members think that wrap-around services are important to support outcomes and performance of students at their schools.

In terms of a student’s ability to access wrap-around services, it seems once again, that this access is determined by the socio-economic status of the school community. While disadvantaged schools receive additional departmental funding, still there remains significant differences in the funds available to support students in different schools.

Students in advantaged areas are further advantaged by their parents’ capacity to both fundraise and directly pay for wrap-around services. These services can greatly enhance the overall outcomes of advantaged schools. Consequently, this reality also means that students in disadvantaged areas are further disadvantaged by their parents’ inability to pay for these additional services. Schools without external advantages such as additional funding from parents have no access to any assistance other than that provided by government. The Association understands that Out of Home Care funding is often late and not enough to support students participating in additional programs. The Association believes that the additional assistance schools receive from the disadvantaged schools program does not reach the advantages that can be gained from an affluent school community. Furthermore, the Association has been informed by members that an increasing number of families are not participating in parent-funded programs, meaning that fewer students are receiving additional support to achieve good outcomes.

This submission has demonstrated that outcomes-based funding – rather than equalising educational opportunity – can often lead to a reality where advantage and disadvantage become further entrenched. This would mean any assessment tool which reported on outcomes would need to be very sophisticated to ensure measurement properly took into account the factors identified above. It also means that the government should be providing as many wrap around services to disadvantaged schools as possible.

The Association recommends that the NSW Government increase the number of wrap-around services provided to disadvantaged schools. This increase though, would place further strain on already word overloaded SASS staff. As one member has told the Association:

“The increase of OTs, coaches, extra curricula facilitators, has increased the work of SASS staff in relation to Probity requirements. The gathering of information to meet Probity standards and the checking of these people to ensure compliances has fallen to SASS without consideration of their massively increased workload since the introduction of LMBR.”

Recommendation:

- **That the appropriate wrap-around services be provided to disadvantaged schools and that those schools be provided with the appropriate levels of support staff to facilitate these additional services.**

Overview of Recommendations

- 1. It is the overall recommendation of the Association that an outcomes-based funding model not be introduced to NSW schools.**
- 2. That the current needs-based funding model remain in place and that the NSW Government works to refine the existing system, rather than replace it.**

If the NSW Government does proceed with the implementation of an outcomes-based funding model the Association includes the following recommendations:

3. That the current measurement systems cannot be reviewed in the context of supporting outcomes based funding.
4. That the outcomes determining funding are not based solely on standardised test results, but rather on the individual circumstances and needs of each child.
5. That the funding categories to be used in an outcomes-based funding model be confirmed, and that appropriate consultation is provided on these categories.
6. That the outcomes of students with a disability not be included in the funding provided based on outcomes
7. That funding for schools with students with a disability continue to be needs-based, not outcome-based.

Regardless of if the NSW Government proceeds with a new funding model, the Association also recommends the following:

8. That training in teamwork-based school culture be provided to all school leaders in NSW
9. That all schools with students with disability are equipped with the appropriate number of SLSO staff.
10. That the NSW Government conduct a review, assessing the effectiveness of the current *Local Schools Local Decisions* policy and that alternatives are considered which are consistent with needs-based educational delivery.
11. That the appropriate wrap-around services be provided to disadvantaged schools and that those schools be provided with the appropriate levels of support staff to facilitate these additional services.

Education Annual Reports

| Student Type | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Language background other than English | 229,106 | 235,106 | 242,850 | 251,336 | 260,599 | 274,446 | 284,639 |
| Aboriginal | 47,087 | 49,308 | 51,613 | 54,150 | 56,581 | 59,214 | 61,933 |
| Support classes | 14,903 | 15,721 | 16,478 | 17,068 | 17,495 | 18,829 | 18,687 |
| In SSP's | 4,921 | 5,064 | 5,207 | 5,340 | 5,457 | 5,562 | 5,664 |
| | | | | | | | |

| Funding Type | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2011 |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Special Education | 646.1 m | 774.0 m | 839.4 m | 922.4 m | 1055.3 m | 1.1 b | 1.18 b |
| Students in regional & rural areas | 73.8 m | 76.3 m | 84.9 m | 82.6 m | 88.9 m | 103.2 m | 109.0 m |
| Students from low socio-economic status backgrounds | 67.2 m | 79.4 m | 88.8 m | 87.9 m | 106.8 m | 164.1 m | 216.0 m |
| Students from non-english speaking backgrounds | 92.0 m | 95.4 m | 100.4 m | 107.3 m | 116.1 m | 124.1 m | 136.0 m |
| Aboriginal Education | 45.6 m | 51.4 m | 65.0 m | 67.6 m | 68.5 m | 71.9 m | 73.0 m |

| Funding / # of students | 2014 | 2015 | 2016 | 2017 | 2018 |
|---|-----------------------|---|--|--|--|
| RAM allocation for support of learning needs for students with a disability | Aprox 90,000 students | More than 90,000 students. \$239 m RAM | More than 105,000 students. \$246 m RAM | More than 110,000 students. \$253 m RAM | More than 110,000 students. \$273 m RAM |
| Integrated Funding Support for students moderate & high in mainstream class | Aprox 7,500 students | More than 7,800 students | More than 8,160 students. | More than 8,300 students. \$120 m Integrated Funding Support. | More than 9,600 students. \$145 m Integrated Funding Support. |