Director-General’s address
Empowering Local Schools National Partnership Conference 23 July 2012

An introduction: Resource Allocation Model Release 1
... a small shift in enrolment can have a significant impact on a school’s resourcing level

... has multiple funding lines with different applications and monitoring procedures

... can receive funding throughout the school year with little notice

... is highly complex with little transparency
The Resource Allocation Model - The RAM

The RAM is underpinned by these five guiding principles:

1. Based on student and school need
2. Evidence-based
3. Moving funds to schools efficiently and transparently
4. Certainty for schools
5. Sustainable and adaptable
Benefits for Schools

The RAM will benefit schools by:

- shifting from 10% of the total public school education budget in the current model to more than 70% going directly to schools.
- enabling certainty in school planning, evaluation and reporting from year to year.
- increasing the capacity to innovate and provide solutions in the best interest of students.
The RAM will:

- reduce big changes in resources that can accompany small changes in enrolments.
- ensure a more equitable allocation of resources for all schools based on student numbers and student needs.
- allocate funding to recognise the different characteristics of each school.
### Three components of the RAM

<table>
<thead>
<tr>
<th>Targeted Individual Student</th>
<th>Equity Loadings</th>
<th>Base School Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>• New arrivals and refugees • High and moderate level adjustment for disability • Students requiring specific support</td>
<td>• Socio-economic background • Low level adjustment for disability • Aboriginal background • English language proficiency</td>
<td>• School buildings and facilities • Climate • Location</td>
</tr>
</tbody>
</table>

#### Equity Loadings
- Socio-economic background
- Low level adjustment for disability
- Aboriginal background
- English language proficiency

#### Base School Allocation
- Per capita allocation
- School allocation
All schools will receive a school allocation based on school type. There is a fixed component (a minimum for each type of school) and this increases with enrolments up to a maximum value for each school type.
Base funding – School allocation

Secondary school

▲ School allocation base funding $ ➤ Enrolments
Base funding – Per capita

An illustration of the relative per capita funding rates for primary schools

Differential per capita funding to adhere to the class size policy
Base funding – Per capita

An illustration of the relative per capita funding rates for secondary schools

Differential per capita funding to adhere to the class size policy
## Site loadings

<table>
<thead>
<tr>
<th>School buildings and facilities</th>
<th>A loading will be provided reflecting the nature of the school’s assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate</td>
<td>A loading is calculated based on the climatic region of your school, taking into account requirements for heating and cooling</td>
</tr>
<tr>
<td>Location</td>
<td>A loading will be provided to some schools based on remoteness of the community and isolation from other public schools</td>
</tr>
</tbody>
</table>
## Equity Loadings

| Socio-economic loading | • Loading to address concentrations of disadvantage  
|                        | • Uses parent responses to education and occupation questions on the enrolment forms |
| Low level adjustment for disability | • A loading based on the number of students with low level disabilities with additional learning and support needs |
| Aboriginal background | • Loading to reflect both proportion and number of Aboriginal students in the school |
| English language proficiency | • Loading to reflect English language proficiency of the students, based on a school-level assessment of ESL Phases |
Individual student targeted funding

There is a recognised need for individual targeted resources to be provided in certain situations

New arrivals

Refugees

Adjustment for disability

Students with complex support needs
Compiling the resource allocation for an example school

- Targeted
- Equity loadings
- Site loading
- Per Capita allocation
- School Allocation
## Compiling the resource allocation for example schools

<table>
<thead>
<tr>
<th>Targeted</th>
<th>Equity Loadings</th>
<th>Site loading</th>
<th>Per capita</th>
<th>School allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td>Base funding</td>
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<table>
<thead>
<tr>
<th>School</th>
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<td>School 1</td>
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<td>School 2</td>
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<td>School 3</td>
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<td>School 4</td>
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Cost of a classroom teacher

The RAM will:

- allocate a budget which is based on the class size policy
- apply a standard cost model for all classroom teaching staff
How will the RAM deal with the different types of leave and extended absences?

- The RAM will recognise the differences between leave types.

- Many types of leave will receive 100% reimbursement. These include:
  - Long service leave
  - Parental, jury, special and military leave
  - Extended sick leave

- The RAM includes an allocation to the school to cover short term sick leave absences.
Next Steps

- Understanding and discussing the model
- Testing the model across a range of school settings
- Releasing your school’s 2013 indicative funding by the start of Term 4
- Releasing the allocation for your school for 2013 in Term 4
- LMBR will be implemented in all schools by the end of 2014