Local Schools, Local Decisions (LSLD) is a significant education reform putting students at the centre of all our decisions. To do this more effectively and efficiently we are giving more local decision making authority to principals and schools.

As part of the LSLD reform, the new Resource Allocation Model (RAM) has been developed to allocate funding for public schools in the most equitable way, with more than 70% of the state public school education budget going directly to schools from 2014 – an increase from the 10% of the current model.

The new RAM uses the concept of ‘base’ plus ‘loadings’, advocated by the Gonski review into school funding. The base component covers the cost of educating each student and operating a school. This base is then supplemented by a series of loadings for students.

The four equity loadings take into consideration: Aboriginal background; English language proficiency; low level adjustment for disability; and socio-economic background.

The funding for Aboriginal students is a new model using a different methodology. It is no longer program based, but instead based on student need. For the first time, every NSW public school with Aboriginal student enrolments will receive funding to support the learning needs of Aboriginal students.

The formula funds students with the highest need at a higher rate per student. The rate per student increases based on the percentage of Aboriginal students in the school. This approach supports both our state and national commitments to Aboriginal education and to bridging the educational achievement gap between Aboriginal and other students.

The new RAM will deliver significant additional funding to support all 49,000 students with an Aboriginal background in NSW public schools. The formula will result in a fairer and more transparent allocation of funding.

What does this mean for schools in 2014?

- Every NSW public school with Aboriginal students will receive funding from 2014.
- More than 1,600 schools will receive funding for the first time.
- The level of funding for each school will be determined not only on the number of Aboriginal students in the school, but also on the percentage of Aboriginal students in the school.
- The loading includes funding for Aboriginal Education Officer (AEO) and Aboriginal School Learning and Support Officer (ALSO) positions based on costed staff entitlement.

- All schools will receive at least the same level of funding as they did in 2013 for transitional Aboriginal funding and AEOs.

Consultation with the NSW Aboriginal Education Consultative Group Inc. (NSW AECG) has assisted in finalising the recommended formula for the equity loading for Aboriginal background and the inclusion of funding for Aboriginal Education Officers within this RAM component.

Funding for the Norta Norta Program will continue and will be allocated through the Targeted (individual student) funding component of the RAM.

For further information refer to Information sheet 7.