Local Schools, Local Decisions–Resource Allocation Model

Report on the development of the Resource Allocation Model

Department of Education and Communities

March 2013
**Introduction**

This report provides a compilation of the collaborative work that has been performed by PwC and the Department to support the design and development of a new resource allocation model (RAM) for the distribution of funding to NSW Public Schools. PwC were engaged to undertake a review of the current resource allocation processes in 2011 and during 2012 we worked closely with a DEC Steering Committee (the “RAM Steering Committee”) to develop a new RAM that is aligned to the *Local Schools, Local Decisions* (LSLD) policy.

This reform will improve the way resources are distributed to NSW Public Schools. The platform for change has allowed us to incorporate more recent educational research into the allocation methodology, the findings from the Australian Government commissioned ‘Review of Funding for Schooling’ released in February 2012 (referred to in this document as the ‘Gonski report’), and to improve on many of the understood shortcomings associated with current resource allocation processes.

Part A of this report summarises the process that has been undertaken to develop the allocation methods applied in the model and the components of the model itself. Part B of this report provides further detailed information on the issues presented in Part A.

**Working collaboratively**

Throughout this project we have been working closely with a group of Department representatives in a RAM Steering Committee to develop the components of the model. This group has provided direction on the underpinning principles to be applied to maintain alignment with the *Local Schools, Local Decisions* (LSLD) initiative, as well as providing specific feedback on the allocation methods developed for the various components of the funding model.

The information provided in this report summarises the resource allocation methods that have been presented to the RAM Steering Committee for each component of the model. For each component of the model we engaged in a process that involved consultation with relevant Department members (as directed by the RAM Steering Committee), integration of selected research, and analysis of Departmental data. A view on each element of the RAM, was then presented to the Committee members for debate. Subsequent discussion and further analysis and consultation was then completed. Part B of this report provides information on the PwC position papers on each component of the RAM that was provided to the Committee to inform their view.

**An overview of the model**

There are three components of the RAM; a base school and per capita allocation, equity loadings and targeted resources for individual students. The RAM provides a resource allocation method for the base and per capita allocations and equity loadings. The nature of targeted funding, which is provided for specific students based on individual needs, or for funding that is required to be delivered to schools quickly to meet specific needs, means that specific consideration of various need types and amounts will remain. For example, funding for students with high level disability.

Base funding is provided through a base allocation to all schools determined on school type and a per capita allocation, per student based on the student age cohort (or “year level”). The loadings are provided on top of the base allocation to reflect identified complexities related to the school or the student population, for example, socio-economic background of the student cohort.

In developing the allocation methodology of each element of the RAM we have carefully considered the findings documented in the Gonski report. The RAM is consistent with the principles expressed in the Gonski report.

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1 Members of the RAM Steering Committee have been listed in Appendix B.
Where the models differ it is because of the requirement for the RAM to properly accommodate the inherent fixed costs in delivering universal access to schooling across the state. The RAM has been developed to distribute resources to schools (rather than to school systems) and therefore the model maintains a strong focus on resourcing decisions and implications at an individual school level.

**A new resource allocation model**

The resource allocation processes currently used for NSW Public Schools have evolved over time. Core staff entitlements that were put in place many years ago have been modified over time and supplemented with multiple layers of program funding to address specific areas of need. Many programs distribute a low value of resources but generate an administrative burden for school and Departmental staff, and may no longer align with current identified areas of need or policy priorities.

The introduction of a new RAM that devolves greater responsibility for financial management to schools requires new systems and ways of working to enable schools to access and use relevant information to perform this role. The roll-out of Learning Management and Business Reform (LMBR) to coincide with the RAM will provide the systems functionality for schools to manage a greater portion of their own budgets.

Under the new RAM, base funding will be provided to meet the core requirements of operating a school and providing an education to its students. This amount will be supplemented with loadings to address specific areas of need. The RAM will provide increased flexibility for schools/principals in the use of some previously prescriptive program funds and with reduced administrative burden.

The new RAM presents a new way of resourcing schools. Some terminology used to describe the loadings under the new RAM may bear similarity to old Programs, however it is important to note that direct comparisons cannot be made between old Program Funding and the loadings to be provided under the RAM. Schools will no longer be provided with staffing entitlement and layers of funding to cover set costs, but will instead be provided with the resources to purchase the staffing, and goods and services, required to operate their school.

Alongside the development of the RAM we have been required to consider the implications of allocation decisions at a school level. As well as developing the allocation model itself we have considered a number of other issues that, while not directly linked to the RAM, are fundamental to its sustainable implementation and maintenance; these include dealing with the variation in classroom teacher costs and relief for staff absences. As these issues do not directly relate to the RAM they have not been discussed in this report.

**Preparing the RAM to calculate the resource allocation**

The work presented in this report does not include the dollar allocation for each component of the RAM. The RAM has been developed in such a way that the inputs of the model can be changed to then test the impact at a school and system level.
Disclaimer

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Part A
1 Scope and purpose

1.1 Project overview
PwC has been engaged to advise on the development of a new resource allocation model (RAM) for public schools in New South Wales. In 2011 we reviewed the current resource allocation systems and processes to inform our development of a new RAM. During 2012 we advised on the development of a RAM in accordance with the Local Schools, Local Decisions (LSLD) initiative. We have now completed the development of the RAM allocation processes and methodologies and these are discussed in this paper.

1.2 Principles underpinning the RAM
We have identified the following principles underpinning the RAM based on our understanding of the objectives and requirements of the RAM in the context of the LSLD initiative. These guiding principles have been applied throughout the development of the RAM.

<table>
<thead>
<tr>
<th>Principle</th>
<th>Description</th>
</tr>
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<tbody>
<tr>
<td>1 Based on student and school need</td>
<td>School level resources will be allocated based on student and school level needs. The new RAM will fund cost drivers, at a school and student level, that have been demonstrated to correlate to current student need and to align with current DEC policies.</td>
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<tr>
<td>2 Evidence based</td>
<td>The components of the model are underpinned by available research, including the Gonski report findings, and analytically tested against detailed NSW school and student data.</td>
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<tr>
<td>3 Moving funds to schools efficiently and transparently</td>
<td>The new RAM will improve simplicity and transparency in how resources are allocated to schools. Schools will be provided with information to help them understand how each element that makes up their funding allocation was calculated. The mix of resources provided to schools will reflect the characteristics of individual schools and their students and this will be set out in a way that supports enhanced understanding of how school-level resources are allocated.</td>
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<td>4 Certainty for schools</td>
<td>The current resourcing arrangements can result in changes to the school budget allocation at a school level as a result of small changes in enrolment numbers, or student or school level complexity factors. The new resourcing model seeks to address this by:</td>
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<td>• applying graduated funding focussed at the student level, for example, the per capita allocation</td>
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<td></td>
<td>• bringing funding and loading elements together in a single resourcing model (so that overall resourcing and the interaction of various funding and loading measures is properly understood)</td>
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<td></td>
<td>• including other measures to provide funding stability.</td>
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<tr>
<td>5 Sustainable and adaptable</td>
<td>The RAM is being developed in the context of the LSLD initiative. It is being developed as a sustainable model that can be adapted to accommodate future policy priorities and changing school and student populations.</td>
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</tbody>
</table>

In designing a new RAM, we acknowledge that support is required to assist with transition from current resourcing arrangements. As well as phasing the rollout of the program, we recommend that the new RAM be implemented with transition measures to provide schools with the opportunity to adjust to new resourcing and operational arrangements.
2  Overview of the process

We adopted the methodology noted below to complete the development of the new RAM. The five stages in this process are summarised here.

Diagram 1: Development of the RAM

1. Understand the current resource allocation model

In December 2011 we completed a review of the current resource allocation arrangements. Our work included consultation with stakeholders across the Department with a focus on the Access and Equity Directorate and the finance and HR functions. This work informed the development of the new RAM.

2. Develop the ingredients for an improved model

We have developed a framework for the new RAM which is based on three components of funding for schools: a base school allocation, equity loadings and targeted resources. Within each of these components a number of decisions needed to be made about the preferred options for allocating funding to areas of need. The majority of this report discusses the proposed methodology for each element of the RAM, reflecting the positions presented by PwC to the Steering Committee.

3. Explore the school level implications of key costs

The proportion of a school’s budget that is managed locally will increase significantly under the new RAM. The school level implications of key costs needed to be considered in the development of the model, such as classroom teachers. These issues have been considered and are referred to as ‘operational issues’ in this report. The issues associated with transition at a school level continue to be considered as part of the implementation of the model by the Department.

4. Test key approaches and model scenario loadings

Testing and refining the model is an ongoing iterative process to develop the most appropriate base allocation and set of loadings. This work will be completed by the Department. Comparisons have been made to consider the impact of certain policy decisions at a system and school level, when considering both the current and proposed funding levels. We have developed the RAM so that ongoing analysis and comparison can take place for calculated funding levels for groups of schools with similar characteristics.

5. Define key principles of operating the RAM in practice

A new RAM that requires increased school based financial management will be a significant change for all schools. Throughout the development of the model we have considered how the RAM will be introduced and operated in practice.
3  Components of the RAM

3.1 Overview of the RAM

Diagram 2 below summarises the three components that will make up the new RAM and the proposed elements within each component. The structure applies the core principle of allocating funding based on level of identified need:

- **Base allocation** – funding to cover the base cost of educating the school’s students and operating a school.

- **Equity loadings** – per student or per school funding to improve equity in the allocation of resources to address factors of disadvantage.

- **Targeted resources** – provided for a student where there is a requirement for specific additional support or to schools to meet specific needs.

The findings of the Gonski report have been considered and have informed our development of the components of the RAM. The targeted and loadings components of the new model will allow for funding to be directed to address equity – consistent with the principles of the Gonski report.

Diagram 2: Components of a school funding model – An overview

| Targeted resources | For each student | • New arrivals and refugees  
|                    | For each school  | • Students requiring specific support  
|                    |                   | • High and moderate adjustment for disability  
|                    |                   | • School specific requirements  
| Equity loadings    | Per student      | Cohort complexity  
|                    |                   | • Socio-economic background  
|                    |                   | • Low level adjustment for disability  
|                    | Per student      | Student complexity  
|                    |                   | • Aboriginal background  
|                    |                   | • English language proficiency  
| Base allocation    | Per school       | Site complexity  
|                    | Per student      | • Location  
|                    |                   | • School buildings and facilities  
|                    | Per school       | • Student age cohort  
|                    |                   | • School allocation based on school type  

3.2 Summary of the key elements of the RAM

The following pages summarise each component of the RAM as presented to, and discussed with, the Steering Committee.

Base school allocation

The base school allocation constitutes the majority of funding for a school.

Base allocation

The model provides every school with an allocation based on the type of school. The allocation is set at a minimum for each type of school and then increases with enrolments up to a maximum value for each school type.

There are separate base allocations for the following school types: Infants, Primary, Central, Secondary and Schools for Specific Purpose (SSP).

Per capita allocation

The model provides every school with a per student allocation based on the year group of the student. The relativities between year groups applied in the model are consistent with current allocation processes; reflecting the current class size policy. The per capita allocation is linear and the rate per student does not change with the number of students at a school. The base allocation for each school will include the base rate per student in each year group multiplied by the number of students in each year group at that school.

The base and per capita allocation include resources to reflect the core component of funding for:

- School buildings and facilities
- Climate

The loading provided for these components of the school budget is provided in addition to the resources that are already included in the base allocation. The loading is provided to reflect the individual circumstances of the school.

School buildings and facilities

An allocation is provided in the model for each school to fund planned maintenance. The allocation per school has been calculated using enrolments, gross floor area and a maintenance factor. The component of the resources related to enrolments has been incorporated into the per capita allocation of the RAM.

We have constructed a linear index to allocate a loading for asset scale and nature to schools using gross floor area (m²) and a maintenance factor. The maintenance factor reflects the redeployment of a formula derived and used by the Asset Management team in the Department. This formula applies weighted average building age and replacement value to asset scale. The loading component reflects only the additional budget allocation based on the specific circumstances of each school.

Climate

A base allocation for utilities has been incorporated into both the base allocation and per capita allocation of the RAM. The loading component reflects only the additional budget allocation based on the specific climatic circumstances of each school.

This loading is designed to capture the variation in the cost to deliver appropriate thermal comfort based on the gross floor area and climatic situation of the school. We have used regression analysis to understand the relationship between expenditure on utilities, enrolments, gross floor area (GFA) and climate factors representing a proxy for heating and cooling requirements. In order to determine the climate of each school we have used the mean maximum January temperature and degree days of heating.
This results in a base allocation to all schools, both in the base allocation and then on a per capita basis, and provides a per square metre climate loading on top of this. The loading component reflects only the additional budget allocation based on the specific circumstances of each school.

**Location**

Two key cost drivers have been identified that remote schools face; the fixed costs of providing access to education in small communities and the additional cost of obtaining goods and services in remote areas. These cost drivers are impacted by both remoteness of communities and isolation from other comparable schools. Where a school is both isolated from other schools, and located in a remote community, this leads to the greatest need.

In order to capture a measure of school remoteness in NSW we have constructed a framework that captures both school remoteness and school isolation from comparable public schools. The index is referred to as the School Isolation and Remoteness Index (SIRI). We have applied a modified framework for secondary/central schools, and primary/infants schools, to account for the differences in these schools, particularly traditional differences in catchment areas and travel times for students in these two learning environments.

**Equity loadings**

Loadings are provided on top of the base allocation to provide additional resources to reflect school and student complexities.

**English language proficiency**

We have constructed an English Language Proficiency loading that has retained many elements of the qualification process and assessment framework currently in use. Students are currently assessed annually at 30 June as being in ESL phases 1, 2 or 3, with a phase 1 student requiring the highest level of support (note that a separate program exists to support New Arrivals and Refugees, and this is being maintained as targeted resourcing).

A weighting is attached to each of the three phases to calculate the relative need of the school, and this is then moderated by applying a factor based on the duration that students requiring ESL support have been in an Australian school. The loading for ESL students will be fixed before the start of the year based on the ESL assessments that take place in June during the previous calendar year. There will be no adjustment for changes in ESL need that occur at the start of the year (outside of the new arrivals targeted program). This is consistent with the current process. This decision has been made to provide an orderly flow of resources, allowing time for assessment and data collection.

**Aboriginal background**

We have developed a loading for Aboriginal students that takes into account both the concentration and number of Aboriginal students in a school. We have developed a non-linear mathematical function that we have used to create an index that reflects both the concentration and number of Aboriginal students in each school. Applying this formula results in the Aboriginal and Torres Strait Islander Concentration Compound Index (ATSICCI) that can be applied to all schools to calculate a loading for each Aboriginal student. The approach differs from the proposal in the Gonski report which suggested no loading should be provided for schools with a concentration of Aboriginal students of less than 5%.
Socio-economic background

We have included an index of socio-economic background using family occupation and family education background data. The index is constructed from enrolment data based on families’ responses to the following questions:

- Parent occupation group
- Parent highest school education level
- Parent highest non school qualification level.

The index reflects concentration of disadvantage at a school level using the responses to these questions, consistent with research undertaken by DEC demonstrating that this concentration, rather than the attributes of individual students, is what leads to changes in student performance. The index offers the opportunity for a more graduated funding approach to be taken to addressing this disadvantage.

Low level adjustment for disability

The Every Student, Every School (ESES) Learning and Support is currently being rolled out across NSW public schools. To facilitate continuation of the resources launched in this program, a loading has been constructed to distribute the ESES resources to schools. This will enable continuation of the ESES resources in schools.

Targeted resources

Included in the RAM are targeted resources for some programs and initiatives that will continue as they presently occur. These resources might be attached to the student and will follow the student if they move from one school to another. This includes funding for students in regular classes that require high or moderate level of adjustment for disability, require specific support, or are new arrivals or refugees.

It also includes school specific allocations that are distributed outside of the RAM. These allocations may be in place during the transition period while some program allocations continue to be administered independently of the RAM.

Shared resources

When funding and resource outcomes are communicated to schools, this may include some staff and other resources that are auspiced in a particular school, but actually represent a shared resource amongst a group of schools. These resources will be separately noted and resourced so that appropriate school level comparisons of resources can be made.

3.3 Schools for specific purposes and other educational settings

The resourcing for some schools for specific purposes (SSPs) will be incorporated into the RAM. A base allocation for these SSPs has been developed. These schools will also receive a per capita allocation. The per capita allocation to SSPs is not to cover teaching resources in the classroom but is to cover the other costs of operating a school. The funding for teaching resources for SSPs will be provided as part of the targeted funding.

Environmental education centres, hospital schools and other SSPs will continue to be block funded outside of the RAM. The specific and individual requirements of these schools means that their funding cannot be reliably calculated in the RAM.
We recommend that schools that provide additional services including intensive English centres and community language programs be provided with the resources to continue these services in the form of a special grant within the targeted funding component of the RAM.
Part B
4 Detailed information on RAM components

PwC drafted and presented position papers on the nature and methodology of each component of the model to the RAM Steering Committee. These were discussed by the Committee who then explored the factors around each component and either requested further information or analysis over an alternate option. The following table summarises the final positions presented by PwC to the RAM Steering Committee.

<table>
<thead>
<tr>
<th>Ref</th>
<th>Core issue</th>
<th>Summary of the PwC Position presented to the RAM Steering Committee</th>
</tr>
</thead>
<tbody>
<tr>
<td>i</td>
<td>Base allocation</td>
<td>A base allocation is provided to every school based on school type to fund the core fixed costs of operating a school. This allocation recognises the fixed costs of operating a school and the higher level of resources required, per capita, to operate a smaller school. A unique base allocation has been calculated for each of the key “school types” in the state (Primary, Infants, Central, Secondary and SSPs), recognising the different operating environments and operating models in place.</td>
</tr>
<tr>
<td>ii</td>
<td>Per capita allocation</td>
<td>A set of per capita rates is provided to every student to fund the core incremental costs of enrolments at schools. A single per capita rate is modified for the year level of each enrolment to be consistent with the current allocation processes to provide resources to deliver the current class size and workload policies. The rate for SSPs is only to cover non-teaching costs incurred at the school. Funding for teaching resources for SSPs is provided as part of targeted funding.</td>
</tr>
<tr>
<td>iii</td>
<td>School buildings and facilities loading</td>
<td>The school buildings and facilities loading is provided to respond to variation in the built environment. The school buildings and facilities loading is derived from two inputs: Gross floor area (m²) and a maintenance factor. The third component based on enrolments, has been extracted and incorporated into the per capita allocation.</td>
</tr>
<tr>
<td>iv</td>
<td>Location loading</td>
<td>The School Isolation and Remoteness Index (SIRI) has been constructed to enable a resourcing response based on the location of schools. The SIRI incorporates a different formula for secondary and central schools, and primary schools to account for the different services provided by these schools. Every school is provided with an index score between 0 and 100. Schools that are both isolated from other comparable schools, and located in remote communities, receive the highest level of funding. The index score can then be applied to a school-level funding curve to proportionately reduce funding as remoteness decreases.</td>
</tr>
<tr>
<td>v</td>
<td>Climate loading</td>
<td>The climate loading is provided to respond to the variation in climate. The climate loading is derived from three inputs: gross floor area (GFA), mean max temperature in January and degree days of heating. The allocation method provides each school with a base component in the Base allocation, a per capita base component and then this loading based on climatic variation and scale of the built environment.</td>
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<tr>
<td>Ref</td>
<td>Core issue</td>
<td>Summary of the PwC Position presented to the RAM Steering Committee</td>
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<td>vi</td>
<td>English language proficiency</td>
<td>A loading is provided based on need associated with English language proficiency. The current funding approach for supporting ESL students should be used as the basis for this loading. The primary data collection point for determining English language proficiency need is the ESL annual survey in June each year. Currently this is used to determine a fixed amount of funding for the following school year.</td>
</tr>
<tr>
<td>vii</td>
<td>Loadings for Aboriginality</td>
<td>A loading is provided based on a compound measure of both concentration and number of Aboriginal students. The Aboriginal loading is calculated based on a mathematical function that allocates funding to schools reflecting both the concentration and the number of Aboriginal students. The loading provides a loading for every Aboriginal student and it increases with the concentration and number of Aboriginal students in a particular school.</td>
</tr>
<tr>
<td>viii</td>
<td>Socio-economic background</td>
<td>A loading is provided to reflect socio-economic background, allocated using the Family Occupation and Education Index (FOEI). Previous work undertaken by the Department identified that the highest single predictor of variation in student performance is parental education achievement. If parental occupation is added to this, the predictive power of the index is further enhanced. This combination of inputs has been combined to create a Family Occupation and Education Index (FOEI).</td>
</tr>
<tr>
<td>ix</td>
<td>Mobility disadvantage</td>
<td>An additional loading for disadvantage caused by high mobility should not be included in the RAM until further research is conducted. The Department has recently undertaken regression analysis to identify whether residual disadvantage remains in schools with a high mobility factor, after controlling for socio-economic educational disadvantage and Aboriginality. The data that is currently available is not of sufficient detail and quality to provide enough evidence to support an additional loading for high mobility. The Department has identified that more in-house research and analysis should be conducted to further understand the mobility issues before loadings for mobility on disadvantage can be suggested.</td>
</tr>
<tr>
<td>x</td>
<td>Low level adjustment for disability</td>
<td>Resources should be provided to schools to enable the newly implemented ‘Every Student, Every School’ policy to be maintained. Every Student, Every School is currently being rolled out across NSW Public Schools. A loading has been constructed to distribute the resources to schools, consistent with the Every Student, Every School allocations.</td>
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</table>
5 Base allocation

Position recommended by PwC

A base allocation is provided to every school based on school type to fund the core fixed costs of operating a school. This allocation recognises the fixed costs of operating a school and the higher level of resources required, per capita, to operate a smaller school. A unique base allocation has been calculated for each of the key “school types” in the state (Primary, Infants, Central, Secondary and SSPs), recognising the different operating environments and operating models in place.

5.1 Background

The base allocation amount is calculated based on school type. The base allocation is intended to recognise the fixed costs of operating a school and the higher level of resources required, per capita, to operate a smaller school. A unique base allocation has been calculated for each of the key “school types” in the state (Primary, Infants, Central, Secondary, and SSPs), recognising the different operating environments and operating models in place. 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.

5.2 Operation of the base allocation

The diagram below illustrates the base allocation for a primary school. The allocation increases steeply for low levels of enrolment and then at a slower rate for enrolments up to 500 at which point it is capped. The following chart illustrates an indicative allocation for a primary school based on current modelling. These are subject to change for schools participating in ELSNP.

Diagram 3: Illustrative base allocation – Primary school

▲ Base allocation base funding ► Enrolments
Diagram 4: Illustrative base allocation – Secondary school

The base allocation, based on current modelling, for two school types are illustrated here. Base allocations have also been prepared for other school types: Infants, Central, and SSPs.
6 Per capita allocation

Position recommended by PwC

A set of per capita rates is provided to every student to fund the core incremental costs of enrolments at schools. A single per capita rate is modified for the year level of each enrolment to be consistent with the current allocation processes to provide resources to deliver the current class size and workload policies. The rate for SSPs is only to cover non-teaching costs incurred at the school. Funding for teaching resources for SSPs is provided as part of targeted funding.

6.1 Background

The per capita allocation has been calculated to fund the core incremental costs of enrolments at schools such as (but not limited to) classroom teachers, teaching supplies, utilities, and repairs and maintenance. A single rate is determined for all school students, and then adjusted based on the year level.

As the biggest single cost for schools is classroom teachers, the differing weightings for each year level have been adjusted predominately to align with the current allocation processes to provide resources to deliver the current class size and workload policies.

Diagram 5: Year level relativities

Under current modelling, around two thirds of total resourcing to schools is provided through the per-capita allocation.

6.2 Current and proposed marginal and average funding

The current resource allocation methods result in a ‘stepped’ effect at certain enrolment points. The two charts below demonstrate the average and marginal funding for a primary school under the current model and how it will be under the new model.

The first chart highlights the steps in the current model with high marginal funding for additional enrolments at certain points throughout the model. The second chart demonstrates how the marginal and average funding is smoothed under the new model. This will provide greater certainty over future funding for Principals even when enrolments are fluctuating because there are no step changes.
Per capita allocation

Diagram 6: Primary schools – current resource allocation

Diagram 7: Primary schools – proposed resource allocation

Per capita allocation for SSPs

The per capita allocation in SSPs is not to cover teaching resources in the classroom but is to cover the other costs of operating a school. The funding for teaching resources for SSPs will be provided as part of the targeted funding that will be determined based on the needs of the specific students that are enrolled in the school.
7 School buildings and facilities loading

The school buildings and facilities loading is provided to respond to variation in the built environment. The school buildings and facilities loading is derived from two inputs: Gross floor area (m²) and a maintenance factor. The third component based on enrolments, has been extracted and incorporated into the per capita allocation.

7.1 Incorporation of work already performed
A budget for planned maintenance is currently provided to schools annually based on a need factor calculated by the Asset Management team in the Department.

The need factor is calculated giving equal weight to:

- Enrolment numbers
- Gross floor area (m²)
- Maintenance factor (formula derived by the Asset Management team in the Department)

The budget for school buildings and facilities is comprised of an amount incorporated into the per capita allocation and this is a loading to reflect individual school need.

7.2 Constructing the index
One third of the total available budget has been allocated to each of the factors above. The enrolment driven component has been incorporated into the per capita allocation element of the RAM.

We then used the GFA and maintenance factor components of the current funding arrangements to construct an index of asset condition for each school, applying the same weighted average building age and quality measures as the Asset Management team in the Department.

We have created a linear index with a mean score of 100. A school with a mean of 100 has the 'average' building condition. The minimum calculated score is 62 (lowest need per m²) and the maximum calculated score is 151 (highest need per m²). Factors impacting on the score are weighted average building age of total building stock and average replacement value of total building stock.

A per square metre asset condition loading is provided to each school based on their score on the index, this is on top of the budget already included in the per capita allocation.
Diagram 8: Illustrative chart of funding per square metre under the proposed index

Diagram 9: Distribution of schools across the index
Position recommended by PwC

The School Isolation and Remoteness Index (SIRI) has been constructed to enable a resourcing response based on the location of schools. The SIRI incorporates a different formula for secondary and central schools, and primary schools to account for the different services provided by these schools. Every school is provided with an index score between 0 and 100. Schools that are both isolated from other comparable schools, and located in remote communities, receive the highest level of funding. The index score can then be applied to a school-level funding curve to proportionately reduce funding as remoteness decreases.

8.1 Background

Throughout the RAM development we have been exploring the applicability and practicality of responding to two key cost drivers that remote schools face:

1. The fixed costs of providing access to education in smaller communities
2. The additional cost of obtaining goods and services in remote areas

These cost drivers are impacted by both remoteness and isolation. The two factors have been identified to recognise the difference between a remote isolated school and a school in an area of concentrated population that is in a remote location. Isolation can be a key factor in determining cost – this includes isolation from other schools. As the delivery of education in schools is highly localised, concentration of population can reduce the impact of remoteness, in an otherwise remote area. A group of schools may have the ability to work together, for example, to deliver professional learning, maintain a list of casual staff, or to pool resources for some cost items.

A third cost of operating in a remote and isolated location is the allowances provided to staff that work in those schools. There are key practical challenges in funding schools for the additional allowances paid to staff in certain locations. For example, the value of the allowances are dependent on individual characteristics of the staff (including marital status and the number of dependent children). Additionally, where housing benefits are provided, the cost of the housing (market value) may vary considerably due to local market conditions largely unrelated to remoteness. For these reasons we have recommended that the costs of statutory allowances paid to teachers in remote schools will be shared across the system.

8.2 Measuring school remoteness in a dynamic, systemic way

In order to create a measure of school remoteness in NSW we have constructed a framework that captures both school remoteness and school isolation from comparable Government schools. The index is referred to in this paper as the School Isolation and Remoteness Index (SIRI). We have applied a modified framework for different school types to account for the differences in these schools, particularly traditional differences in catchment areas and travel times for students in different learning environments.

Secondary and central schools

We have used geospatial analysis to identify all other secondary and central schools within 10, 20, 40 and 80km radii of every secondary and central school in NSW. The main purpose of the inner two rings is to identify isolation from other comparable schools, and the main purpose of the outer two rings is to identify remoteness of the community. By combining these two factors we are able to construct an index that reflects a level of need associated with remoteness by identifying the number of schools within given radii of each school. A non-linear mathematical formula is then applied using the number of comparable schools within the given radius and points are allocated based on the number of schools within these radii. Out of this an index of between 0 and 100 is constructed.
A higher score indicates greater remoteness/isolation within the system, with the maximum score of 100 indicating a remote community with no or very limited comparable schools in the area.

**Primary and infant schools**

For primary and infants schools we have applied smaller radii to reflect the pattern of delivery in this education setting. The formula applied is the same as that discussed in relation to secondary and central schools.

**Diagram 11: Primary school SIRI**
Further factors included to improve the equity of the calculation

The comparison of the location of all NSW public schools to all other NSW public schools has created a database of over 4 million records. We have analysed this database and have identified two further factors that we have controlled for in the development of SIRI. The two factors are:

1. Schools close to state borders can receive an unusually high SIRI score, where comparable government schools across the border are not considered in the calculation

2. Schools close to the coast can receive an unusually high SIRI score where no adjustment is made for the reduced land area around the school.

State borders

We have obtained lists of schools in ACT, Victoria and Queensland and have incorporated these into the model, at a fractional weighting, to recognise the reduced isolation and remoteness that comes from proximity to these other communities.

Ocean borders

For each school along the coast, we have calculated the area of each of the circles that is within the land borders of Australia. We have then used this result to adjust, pro-rata, the School Limit (L) factor. This means that for a secondary school where only 75% of the 80km radius circle was over land, the School Limit factor (L) would be 12 instead of 16.

Diagram 12: Current modelling SIRI scores
8.3 Applying the SIRI to generate a school level loading

Funding curve for remoteness loading

The chart below shows a funding curve for school remoteness, showing funding outcomes for schools entitled to the maximum rate of loading (SIRI = 100). This curve shows funding outcomes that increase from a base allocation with the number of enrolments up to a maximum loading for a school with 500 enrolments or greater. The result from this curve is then multiplied by the SIRI result / 100, to calculate the school-level loading. An indicative shape of the curve is shown below. The actual allocation per school is still being determined.

Diagram 13: Illustrative funding curve for remoteness loading

Initial work competes on the SIRI loading has identified that just under 900 schools are allocated a score on the index and would therefore receive some degree of loading.
9 Climate loading

9.1 Background
A proportion of a schools’ funding for utility costs is included within the base allocation and the per capita allocation. A loading is then provided on top of this base component to reflect specific school circumstances. All three of these components of the allocation make up the total budget for school utility costs.

We have used regression analysis to understand the relationship between expenditure on utilities, enrolments, gross floor area (GFA) and climate factors representing a proxy for heating and cooling requirements. In order to determine the climate of each school we used the mean maximum January temperature and degree days of heating per school. These two variables are the inputs to identify climate.

Using the variables; enrolments, GFA and climate we have constructed a regression analysis that gives a predictive power of expenditure on utilities of 86%.

9.2 Developing a loading – Results of analysis
The variables used to determine the allocation result in a method that provides a base allocation to all schools, both in the base allocation and then on a per capita basis, and provides a per square metre climate loading on top of this.

This loading is designed to capture the variation in the cost to deliver appropriate thermal comfort based on the gross floor area and climatic situation of the school. We have used the variables discussed on the previous page to create an index to provide a climate loading to schools.

The chart below illustrates the index. Under current modelling the minimum score is 73 and the maximum score is 172.

Diagram 14: Chart to illustrate funding per square metre under the proposed index

<table>
<thead>
<tr>
<th>Funding per square metre</th>
<th>Index</th>
</tr>
</thead>
</table>

Position recommended by PwC

The climate loading is provided to respond to the variation in climate. The climate loading is derived from three inputs; gross floor area (GFA), mean max temperature in January and degree days of heating. The allocation method provides each school with a base component in the Base allocation, a per capita base component and then this loading based on climatic variation and scale of the built environment.
10 English language proficiency

Position recommended by PwC

A loading is provided based on need associated with English language proficiency. The current funding approach for supporting ESL students should be used as the basis for this loading. The primary data collection point for determining English language proficiency need is the ESL annual survey in June each year. Currently this is used to determine a fixed amount of funding for the following school year.

10.1 Background

The current ESL Targeted Support program allocates a fixed number of teaching positions (896 FTE in 2012) to schools annually according to calculated relative need.

Students are currently assessed as being in ESL phases 1, 2 or 3, with a phase 1 student requiring the highest level of support (note that separate resources are provided to support New Arrivals and Refugees). Qualified teachers are provided with guidelines on the level of ability of a student at each phase to inform their assessment. The State Multicultural Programs Unit (MPU) undertakes an annual survey at 30 June of ESL students at each school and their level of need.

A weighting is attached to each of the three phases to calculate the relative need of the school, and this is then adjusted using the duration that students requiring ESL support have been in an Australian school. Eligible schools are provided with an FTE allocation of specialist resources for the following school year. The FTE allocation under this program is fixed for the calendar year in advance.

The allocation of resources is fixed for the school year based on the ESL need as assessed during the previous June. There is no adjustment to the allocation made for changes in the assessment of students that occur during the year or at the beginning of the year. Allocation is in units of 0.2 FTE, creating the 'stepped' effect demonstrated in the chart on the following page. We have converted the FTE allocation into a dollar allocation using the current calculated standard cost for a classroom teacher for illustrative purposes.

In line with the principles of the build of the RAM, the amended approach removes the 'steps' in the allocation. It also removes the current minimum allocation (of 0.2 of a full time equivalent staff member) and replaces it with a minimum dollar value. It also removes the maximum allocation.

We have built the formula to take into account the years the students have been in an Australian school. The current allocation formula uses data captured at a school level to perform this calculation. The introduction of the student records system under LMBR will allow for better capturing of data at a student level to enhance this calculation.
10.2 Budget allocation approach

Many elements of the qualification process and assessment framework in the current ESL funding allocation are to be retained and utilised in the calculation of the ELP loading.

We have constructed a mathematical formula to calculate ELP need. The current resourcing arrangements include a moderation of school reported ELP need, the student assessment results (SAR), and using the ESL students years in an Australian school to calculate a school’s adjusted ELP need.

Diagram 15: Illustrative ELP funding by school

▲ Illustrative ELP funding per school ▶ Schools sorted by illustrative ELP funding
11 Aboriginality

Position recommended by PwC

A loading is provided based on a compound measure of both concentration and number of Aboriginal students. The Aboriginal loading is calculated based on a mathematical function that allocates funding to schools reflecting both the concentration and the number of Aboriginal students. The loading provides a loading for every Aboriginal student and it increases with the concentration and number of Aboriginal students in a particular school.

11.1 Background

The Gonski report suggested a loading for Aboriginal students, with this loading being based solely on the concentration of Aboriginal students in a school. The Gonski report puts forward an approach where no loading is provided for schools with a concentration of Aboriginal students of less than 5%, with the loading then increasing in defined increments to build to a 100% loading in schools where concentration is greater than 75%.

Recent statistical work undertaken by the Department identified a statistically significant relationship between the performance of Aboriginal students and both the concentration of Aboriginal students and the absolute number of Aboriginal students. This work also identified that a smooth loading should be developed rather than one that applies incremental changes and a loading should be applied for all Aboriginal students, not just where concentration is greater than 5%.

Aboriginal students in NSW Public Schools

<table>
<thead>
<tr>
<th>Concentration of Aboriginal students</th>
<th>&lt;=3%</th>
<th>3%-6%</th>
<th>6%-15%</th>
<th>15%-30%</th>
<th>30%-50%</th>
<th>50%+</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-5</td>
<td>945</td>
<td>303</td>
<td>292</td>
<td>166</td>
<td>37</td>
<td>5</td>
<td>1,748</td>
</tr>
<tr>
<td>6-10</td>
<td>1,106</td>
<td>603</td>
<td>470</td>
<td>187</td>
<td>90</td>
<td>34</td>
<td>2,490</td>
</tr>
<tr>
<td>11-15</td>
<td>700</td>
<td>741</td>
<td>600</td>
<td>275</td>
<td>58</td>
<td>28</td>
<td>2,402</td>
</tr>
<tr>
<td>16-30</td>
<td>818</td>
<td>2,341</td>
<td>2,925</td>
<td>464</td>
<td>162</td>
<td>142</td>
<td>6,852</td>
</tr>
<tr>
<td>31-50</td>
<td>33</td>
<td>1,993</td>
<td>3,875</td>
<td>1,391</td>
<td>392</td>
<td>205</td>
<td>7,889</td>
</tr>
<tr>
<td>50+</td>
<td>-</td>
<td>393</td>
<td>8,973</td>
<td>7,622</td>
<td>4,308</td>
<td>2,577</td>
<td>23,873</td>
</tr>
<tr>
<td>Total</td>
<td>3,602</td>
<td>6,374</td>
<td>17,135</td>
<td>10,105</td>
<td>5,047</td>
<td>2,991</td>
<td>45,254</td>
</tr>
</tbody>
</table>

| % of all Ab. students               | 8%   | 14%   | 38%    | 22%     | 11%     | 7%   |

Source: DEC enrolment data on Aboriginal students, 2011
11.2 Developing a loading

Using the work completed by the Department, feedback from the Department and incorporating the work completed by Gonski, we have developed a loading that reflects both concentration and number of Aboriginal students. The mathematical formula has been developed to meet the principles demonstrated in the chart opposite.

We have developed a non-linear mathematical function that we have used to create an index that reflects both the concentration and number of Aboriginal students in each school.

The outcome of the formula is illustrated by the chart below. Every school with any Aboriginal students is allocated an index score of between 10 and 200. As demonstrated by the chart, the loading has been developed so that all schools will receive a minimum index score of 10.

The per student loading increases in response to increases in either the concentration and number of Aboriginal students. The maximum index score is 200; a school with an index score of 200 would receive the maximum funding available per Aboriginal student.

The chart below illustrates the index in multiples of 25. These contour lines show the index results of those points, however there are no steps in the model; if a school is calculated to have an index between two lines, the index score will be somewhere between those two numbers. Once an index score for a school has been identified, the index and the number of Aboriginal students is then applied to the per student loading to calculate the funding allocation.
Diagram 16: Illustration of Aboriginal and Torres Strait Islander Concentration Compound Index (ASTICCI)

▲ Number of ATSI students ► Concentration of ATSI students
12 Socio-economic background

A loading is provided to reflect socio-economic background, allocated using the Family Occupation and Education Index (FOEI). Previous work undertaken by the Department identified that the highest single predictor of variation in student performance is parental education achievement. If parental occupation is added to this, the predictive power of the index is further enhanced. This combination of inputs has been combined to create a Family Occupation and Education Index (FOEI).

12.1 Background

Addressing equity in education is a priority of Local Schools, Local Decisions and has been identified as a loading factor in the new RAM. The Gonski report highlighted the need for loadings to address disadvantage with a particular emphasis on concentrations of disadvantage.

Previous work undertaken by the Department identified that the highest single predictor of variation in student performance is parental education achievement. If the parental occupation is added to this, the predictive power of the index is further enhanced. This combination of inputs has been combined to create a Family Occupation and Education Index (FOEI). FOEI is constructed from enrolment data based on families’ responses to the following questions:

- Primary carer occupation group
- Primary carer highest school education level
- Primary carer highest non school qualification level.

The responses to these questions in enrolment forms is also used by ACARA as an input in the calculation of ICSEA.

12.2 Constructing the FOEI index

Regression analysis has been completed by the Department to identify the relationship between the three questions noted above in the enrolment forms and student performance. PwC has reperformed this regression analysis using 2011 data. The starting point to complete this analysis was to obtain standardised NAPLAN performance data from DEC and aggregate student level enrolment information.

A number of schools were excluded in the development of the regression model where there was a potential for high volatility or bias. However, once the regression model was developed, a rescaled version of the model has been applied to all schools to calculate FOEI.

All schools will be given an index which will determine their socio-economic background loading. A school with a lower index is considered to have a higher level of need and would therefore be allocated a higher loading.
12.3 **Distribution of the index**

Diagram 17 illustrates the funding curve. This demonstrates that the loading increases as the FOEI score increases. Diagram 18 illustrates the distribution of the index across all schools in each index bracket under the current modelling. Under this modelling the mean FOEI score is 100 with a standard deviation of 50.

**Diagram 17: Illustrative funding curve**
In order to reflect the impact of diseconomies of scale for smaller schools an increased per capita loading is applied to smaller schools. This is illustrated in diagram 19.

Diagram 18: Distribution of schools across the index

Diagram 19: Increase in the per capita loading for lower enrolments
12.4 Disadvantage and location

PwC has undertaken work to identify whether residual disadvantage remains for students in remote locations after controlling for socio-economic educational disadvantage and Aboriginality.

The statistical analysis we have undertaken does not reveal any significant relationship between location and disadvantage after controlling for the effects noted above. This is consistent with the location loading that we have incorporated into the model, which provides resources to respond to cost drivers for remote and isolated schools, but not to make a response to address disadvantage in these schools.
13 High mobility disadvantage

Position recommended by PwC
An additional loading for disadvantage caused by high mobility should not be included in the RAM until further research is conducted. The Department has recently undertaken regression analysis to identify whether residual disadvantage remains in schools with a high mobility factor, after controlling for socio-economic educational disadvantage and Aboriginality. The data that is currently available is not of sufficient detail and quality to provide enough evidence to support an additional loading for high mobility. The Department has identified that more in-house research and analysis should be conducted to further understand the mobility issues before loadings for mobility on disadvantage can be suggested.

Overview
The Department has recently undertaken regression analysis to identify whether residual disadvantage remains in schools with a high mobility factor, after controlling for socio-economic educational disadvantage and Aboriginality. The mobility factor is a measure of the change in students within and between school years, other than changes that happen as a part of normal progression through the school system (e.g. a change in school that occurs as a student moves from year 6 to year 7).

The Department used the following calculation formula for the mobility factor of each school:

\[ MF_i = \frac{\text{New students} + \text{Departing students}}{\text{Average (Current year enrolments} + \text{Prior year enrolments)}} \]

The regression analysis performed by the Department uses one calculation of a mobility factor and when this is incorporated into a statistical model used to predict school-level standardised test results, it results in a small improvement in the predictive power of this model. The work was extended by PwC to test different mobility data combinations in the calculation of a mobility factor. This produced variable results, including a positive impact on student performance and no improvement on the predictive power of the model when only New Students are included.

The current method of calculating the mobility factor needs to be further refined to include the average number of schools each student transitioned into during a certain period of time, and exclude student movements that were as a result of ‘structural changes’ rather than ‘family mobility issues’, such as students moving into opportunity classes in year 5 or year 6, or students of local non-government junior schools moving into local high school/central school. As mobility is a complex issue, and current ways of measuring it are not supported by data of sufficient depth and quality, a separate loading for mobility is not feasible to be constructed at this stage. The Department’s Data Analysis Unit has indicated that it intends to conduct further research and analysis to understand the impact of mobility on schooling and school resources, and to further refine mobility measures, which may be incorporated into a funding system in the future.
14 Low level adjustment for disability

Position recommended by PwC

Resources should be provided to schools to enable the newly implemented ‘Every Student, Every School-Learning and Support’ to be maintained. Every Student, Every School-Learning and Support is currently being rolled out across NSW Public Schools. A loading has been constructed to distribute the resources to schools, consistent with the Every Student, Every School allocations.

14.1 Background

Every Student, Every School-Learning and Support is currently being rolled out across NSW public schools. The initiative is being introduced to provide every regular school with an allocation of a learning and support teacher in recognition of the increasing number of students that are being identified as requiring additional learning and support needs.

Every Student, Every School is being introduced alongside the Federal Government’s commitment to provide more support to students with disability through the National Partnership, More Support for Students with Disability.

14.2 Allocation of resources under initial ESES planning

Under this initiative every regular public school is receiving a specialist teacher base allocation of 0.1 or 0.4 FTE as well as a flexible funding base allocation depending on school enrolment. Additional specialist teacher and flexible funding allocations are determined based upon the school’s student learning need index (SLNI). The SLNI is calculated using the number of students in the lowest 10 per cent bands of NAPLAN testing for the previous 3 year period. The allocations will continue to be provided using the current methodology.
## Appendix A – Glossary of terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Abbreviation</th>
<th>Definition</th>
<th>For more details see</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Schools, Local Decisions</td>
<td>LSLD</td>
<td>The NSW government policy initiative to give greater control over school decision making to principals, teachers and school communities. ²</td>
<td><a href="http://www.schools.nsw.edu.au">www.schools.nsw.edu.au</a></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Every Student, Every School</td>
<td>ESES</td>
<td>Initiative providing learning and support for students with a disability, learning difficulties or behaviour support needs. ²</td>
<td><a href="http://www.schools.nsw.edu.au">www.schools.nsw.edu.au</a></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Learning Management and Business Reform</td>
<td>LMBR</td>
<td>The provision of integrated processes and systems designed to meet the needs of the Department. ²</td>
<td><a href="http://www.schools.nsw.edu.au">www.schools.nsw.edu.au</a></td>
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<tr>
<td></td>
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<td></td>
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<tr>
<td>Empowering Local Schools National Partnership</td>
<td>ELSNP</td>
<td>The ELS National Partnership is a Commonwealth Government initiative to provide additional resources to empower participating schools to make decisions at a local level. In 2013, 229 NSW Public Schools will participate in the ELS National Partnership.³</td>
<td><a href="http://www.deewr.gov.au">www.deewr.gov.au</a></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gonski report</td>
<td>-</td>
<td>Reference used in this report to refer to the Australian Government commissioned review of ‘Review of Funding for Schooling’.</td>
<td></td>
</tr>
<tr>
<td>Standard cost</td>
<td>-</td>
<td>A standard cost will be the calculated average cost of a classroom teacher in NSW Public Schools.</td>
<td></td>
</tr>
<tr>
<td>Per capita allocation</td>
<td>-</td>
<td>Allocation of resources on a per student basis.</td>
<td></td>
</tr>
<tr>
<td>Equity loadings</td>
<td>-</td>
<td>The loadings provided on top of the base allocation of resourcing for all schools. The loadings are provided to reflect complexities related to the school or student population.</td>
<td></td>
</tr>
</tbody>
</table>

² Definition obtained from the Department of Education and Communities website and summarised for the purposes of this report. See link to DEC website for further details.

³ Definition obtained from the Department of Education, Employment and Workplace Relations website and summarised for the purposes of this report. See link to DEEWR website for further details.
<table>
<thead>
<tr>
<th>Term</th>
<th>Abbreviation</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family Occupation and Education Index</td>
<td>FOEI</td>
<td>Index constructed to reflect concentration of disadvantage in schools in respect of socio-economic background. A per capita loading is awarded based on the index score of each school.</td>
</tr>
<tr>
<td>English as a Second Language</td>
<td>ESL</td>
<td>Term used to identify those students who speak a language other than English as their first language.</td>
</tr>
<tr>
<td></td>
<td></td>
<td><em>For more details see <a href="http://www.schools.nsw.edu.au">www.schools.nsw.edu.au</a></em></td>
</tr>
<tr>
<td>English Language Proficiency Index</td>
<td>ELPI</td>
<td>Index constructed to identify the overall need of a school with ESL students.</td>
</tr>
<tr>
<td>Accessibility /Remoteness Index of Australia</td>
<td>ARIA</td>
<td>ARIA measures the remoteness of a point based on the physical road distance to the nearest Urban Centre in each of five size classes.</td>
</tr>
<tr>
<td>School Isolation and Remoteness Index</td>
<td>SIRI</td>
<td>Index constructed to allocate a score to every school based on the isolation and remoteness of the school. A loading is awarded based on the index score of each school.</td>
</tr>
<tr>
<td>Student Learning Needs Index</td>
<td>SLNI</td>
<td>Index constructed to allocate resources to schools in accordance with the Every Student, Every School initiative.</td>
</tr>
<tr>
<td>Aboriginal and Torres Strait Islander Compound Concentration Index</td>
<td>ATSICCI</td>
<td>Index constructed based on the number of and concentration of Aboriginal students in a school. A loading is awarded based on the index score of each school.</td>
</tr>
<tr>
<td>Regression analysis</td>
<td>-</td>
<td>Regression analysis includes many techniques for modelling and analysing several variables, when the focus is on the relationship between a dependent variable and one or more independent variables. More specifically, regression analysis helps one understand how the typical value of the dependent variable changes when any one of the independent variables is varied, while the other independent variables are held fixed.</td>
</tr>
</tbody>
</table>

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4 As defined on the Australian Bureau of Statistics website.
# Appendix B – Members of the RAM Steering Committee

The following table summarises the members of DEC staff that have been members of and attended the RAM Steering Committee meetings.

<table>
<thead>
<tr>
<th>Ref</th>
<th>Title</th>
<th>Individual</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Deputy Director General, Corporate Services</td>
<td>Peter Riordan (Chair)</td>
</tr>
<tr>
<td>2.</td>
<td>Deputy Director General, Schools</td>
<td>Greg Prior</td>
</tr>
<tr>
<td>3.</td>
<td>Regional Director, Local Schools, Local Decisions Implementation Team</td>
<td>Robyn McKerihan</td>
</tr>
<tr>
<td>4.</td>
<td>Former Deputy Director General, Finance and Infrastructure</td>
<td>Hugo Harmstorf</td>
</tr>
<tr>
<td>5.</td>
<td>Former R/Deputy Director General, Finance and Infrastructure</td>
<td>Dianne Murray</td>
</tr>
<tr>
<td>6.</td>
<td>General Manager, External Relations Policy</td>
<td>Martin Graham</td>
</tr>
<tr>
<td>7.</td>
<td>Former General Manager, Program Management Office</td>
<td>Heather Hukins</td>
</tr>
<tr>
<td>8.</td>
<td>Chief Finance Officer</td>
<td>Phillip Peace</td>
</tr>
<tr>
<td>9.</td>
<td>Director, Program Management Office</td>
<td>John Healey</td>
</tr>
<tr>
<td>10.</td>
<td>Director, Schools Finance</td>
<td>Michelle Reincastle</td>
</tr>
<tr>
<td>11.</td>
<td>Director, School and Regional Operations</td>
<td>Debbie Hockings</td>
</tr>
<tr>
<td>12.</td>
<td>RAM Team Leader, Local Schools, Local Decisions</td>
<td>Sally Blackadder</td>
</tr>
<tr>
<td>13.</td>
<td>R/Senior Project Officer, Program Management Office</td>
<td>Matthew Wong</td>
</tr>
<tr>
<td>14.</td>
<td>NSW Treasury</td>
<td>Roland Stanmore</td>
</tr>
</tbody>
</table>