



Development of a needs-based funding model for students with disability

Final report

Department of Education Tasmania

February 2019



Disclaimer

Inherent Limitations

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The findings in this report are based on a quantitative and qualitative study and the reported results reflect the data and information examined but only to the extent of the sample surveyed and data provided. Any projection to a wider demographic is subject to the level of bias in the method of sample selection and level of meaningful data provided.

No warranty of completeness, accuracy or reliability is given in relation to the statements and representations made by, and the information and documentation provided by various home care services consulted as part of the process.

KPMG have indicated within this report the sources of the information provided. We have not sought to independently verify those sources unless otherwise noted within the report.

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The findings in this report have been formed on the above basis.

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Section 1: Introduction

Introduction

Introduction

Inclusive education recognises the diverse range of student needs and is focused on ability rather than disability. It recognises that all students achieve better education outcomes when their diverse abilities and strengths are understood and appropriately supported.

Resourcing and funding allocation is a critical enabler of inclusive education. School funding has a powerful impact on student outcomes and it is critical that the funding architecture used to distribute resources supports the needs of individual students, and targets that need appropriately.

Purpose and scope

The Department of Education (the Department) engaged KPMG to support the development of a new needs based funding model for students with disability in Tasmanian Government schools.

The new funding model aims to better support inclusive practice by allocating resources to the educational adjustments required to meet the individual needs of students with disability.

A high-level 'prototype' funding model was developed by the Department and KPMG in 2017. The prototype model sets out the key features of the proposed funding model, including design principles, structure and design options and considerations.

The purpose of the next phase of work (described in this report) was to progress with more detailed development of the new funding model and to gather the data and evidence base required to underpin the funding model allocations for students with disability and the schools they attend.

The scope of work undertaken by KPMG has encompassed:

- A series of consultations with principals, teachers, professional support staff, parents and key disability advisory groups to discuss and validate the prototype funding model, prior to further developing the model and undertaking detailed data collection.
- Collection and analysis of detailed data on the current and indicative (future) costs of support and adjustment for students with disability in Tasmanian Government schools, based on a sample of schools and students – to provide a robust basis for the funding model allocations.
- Detailed modelling of different funding allocation scenarios, in consultation with the Department, to determine indicative funding and staff allocations per student for the 2020 school year.

The Department also sought expert advice to support the development of the model from Professor Michael Giangreco, a Professor in the Department of Education (Special Education Program) at the University of Vermont, and in particular how contemporary, inclusive education practice should be reflected in the funding model, and how the funding model could contribute to maximising outcomes for students with disability.

Introduction

Purpose of this report

The purpose of this report is to provide a summary of the new funding model that has been developed to support students with disability in Tasmanian schools. This includes:

- Work undertaken to date to develop the model
- Key features of the new model, including principles and structure
- Key implementation considerations.

Report structure

This report is structured as follows:

- **Section 2** provides an overview of current funding arrangements for students with disability in Tasmania and the case for change for a new model.
- **Section 3** outlines the new funding model for students with disability in Tasmania.
- **Section 4** presents a number of considerations for implementing the new funding model from the 2020 school year.



Section 2: Current funding arrangements

Supports and adjustments for students with disability

Under the Disability Discrimination Act 1992 (DDA) and the Disability Standards for Education 2005, all schools have an obligation to ensure that students with disability are able to access and participate in education on the same basis as students without disability.

For a number of students with disability, this requires reasonable adjustments to be made to assist them to participate in the school's learning programs and to use or access the school's facilities and services. These adjustments facilitate positive educational and learning outcomes for students, as well as facilitate inclusive education more broadly.

In providing adjustments, schools need to consider the functional impact of the student's disability on their ability to access education and achieve educational outcomes. This includes the impact on communication, mobility, curriculum access, personal care and social participation. Other areas that might be considered for some students are safety, motor development, emotional wellbeing, sensory needs and transitions.

Adjustments reflect the assessed individual needs of the student, and can be made in both the classroom and whole-school settings, as well as at an individual student level. Adjustments can be made across any or all of the following:

- planning
- teaching and learning
- curriculum
- assessment
- extra-curricular activities
- environment and infrastructure
- resources

Adjustments may involve a combination of:

- addressing physical barriers, including modifications, to ensure access to buildings, facilities and services
- modifying programs and adapting curriculum delivery and assessment strategies
- specialised technology or computer software or equipment
- additional support such as teacher aides to assist with personal care or mobility
- providing ongoing consultancy support or professional learning and training for staff
- provision of study notes or research materials in different formats
- services such as sign language interpreters, visiting school teams or specialist support staff.

Not all students with disability require educational adjustments beyond those that are provided as part of quality teaching or school practices. A number of students with disability are able to participate in classes and programs at the school and access school facilities and services on the same basis as students without a disability through quality differentiated teaching practice (involving relatively minor adjustments to teaching and school practice that enable students to access learning on the same basis as their peers).

The Tasmanian Government provides additional funding to schools to cover the costs associated with providing supports and adjustments for students with disability. The current approach to funding, along with some analysis of the costs of providing supports and adjustments, are described on the following pages.

Current resourcing and funding arrangements

Tasmanian Government schools are funded primarily through the Department's Fairer Funding Model (FFM), which provides funding (cash) and staffing on the basis of need. The FFM incorporates a minimum base allocation for all schools, a core per capita student allocation, and adjustments for location and parental socio-economic status.

Schools also receive other funding and staffing allocations in addition to the FFM allocations, including specific facility-related funding, and discrete programmatic funding for specific cohorts – including for students with disability who require additional supports and adjustments. This includes:

- funding (cash allocations) for individual student supports
- support teacher staff allocations
- access to regional support service teams (school psychologists, speech and language pathologists and social workers)
- access to additional professional learning structures including the Professional Learning Institute.

Schools are funded for two groups of students:

- those who are on the *Register of Students with Severe Disabilities* (SDR) – students who have a confirmed diagnosis of autism, an intellectual disability, physical disability or health impairment, a psychiatric disability, vision impairment or a hearing impairment.
- those with an *intellectual disability with an IQ of 55-70* ("IQ 55-70 funding").

Approximately 4.7 per cent of Tasmanian students accessed SDR or IQ 55-70 funding in 2017. SDR and IQ 55-70 funding levels for the 2018 school year are outlined in Table 1 below.

Table 1: SDR and IQ 55-70 allocations for students with disability in mainstream schools, 2018

	SDR	IQ 55-70
Funding (cash)	Between \$19,000 and \$42,000 per 1.0 FTE student, depending on severity of disability ¹	\$5,000 per 1.0 FTE student
Staffing	0.20 FTE teacher for each 1.0 FTE student ²	NA

¹ Mainstream schools with less than 2.00 FTE SDR students receive a cash top up to the equivalent of a 0.40 FTE support teacher (approximately \$40,000).

² Mainstream schools with no SDR students receive a staffing top-up of 0.20 FTE - 0.60 FTE teacher.

For the 2018 school year, approximately \$41.794 million was allocated for supports and adjustments for students with disability on SDR and IQ 55-70. 2018 allocations are outlined in the table below:

Table 2: 2018 budget allocations for supports and adjustments for students with disability

	2018 allocation (\$m)
SDR funding allocations	18.268
SDR support teachers allocation	15.714
IQ 55-70 funding allocations	7.811
Total – student supports and adjustments³	41.793

Source: 2018 Student funding data provided by Department.

³ Total excludes Special Schools, Tasmanian eSchool and Kindergarten. Additional resources are allocated for regional support service teams (school psychologists, speech and language pathologists and social workers) and professional development.

Current resourcing and funding arrangements

The Tasmanian Government established a Ministerial Taskforce in 2014 to examine current support for students with disability and provide recommendations to improve educational support for these students and their families. A significant component of their work focused on funding and resourcing, and their 2015 Report (*Improved Support for Students with Disability*) highlighted a number of issues with the current funding approach:

- Diagnosis and IQ-based models do not reflect student need for support and adjustment in an education setting.
- Current resourcing is unnecessarily complex.
- It was unclear whether current resource levels were sufficient to meet student needs.
- The current funding approach was not transparent and lacks accountability.

The Taskforce recommended that the Tasmanian education system move away from the current funding arrangements under the Severe Disability Register and support for students with intellectual capacity between IQ 55-70, and implement a needs based funding model which supports inclusive practice and level of adjustment required to allow the student to participate in schooling on the same basis as students without a disability.



Section 3: New funding model

Overview and underpinning principles

The findings and recommendations of the Ministerial Taskforce provided a case for change to the current funding model, and clear direction that any new funding model should support inclusive practice and target funding using a better measure of student need. The Taskforce also gave clear direction on some of the key features of the new funding approach, including that:

- the Gonski Report⁴ recommendations provide the principles on which funding should be allocated
- the well-established Nationally Consistent Collection of Data on Students with Disability (NCCD) should be used as the basis for identifying student need (where need is defined as the level of adjustment required to enable a student to participate in schooling on the same basis as students without disability)
- resources should be provided as an additional allocation, taking account of the local school context and individual student needs and facilitate flexible decision making with respect to how resources are best used.

Principles

A draft set of principles was developed in 2017 to inform the design of the new funding model.

The principles were informed by the Ministerial Taskforce findings, additional research from Monash University, University of Canterbury and the Victorian Government's *Review of the Program for Students with Disability*, among other sources^{5,6,7}.

Feedback on the draft set of principles was sought in forums with principals, teachers, professional support staff, parents and key disability advisory groups during March and April 2018. This feedback has been reflected in the final set of principles which underpin the new funding model, and these are presented in Figure 1.

⁴ Australian Government (2011), Review of Funding for Schooling, Final Report, accessed on 9 June at https://d3n8a8pro7vnmx.cloudfront.net/aeu/pages/1/attachments/original/1393387838/Gonski_Final_Report_2012.pdf?1393387838 (Gonski Report, 2011).

⁵ Department of Education and Training, Monash University, (2015), A Review of Contemporary Models of Funding Inclusive Education for Students with Dyslexia, accessed February 2018 at http://www.education.vic.gov.au/Documents/about/departmentsdilitreview_FundingInclusiveEducationforStudentswithDyslexia.pdf

⁶ Mitchell, D, University of Canterbury, (2015), Education That Fits: Review of International Trends in the Education of Students with Special Education Needs, accessed February 2018 at http://www.education.vic.gov.au/Documents/about/departmentsdilitreview_Educationthatfits.pdf

⁷ Department of Education and Training, (2016), Review of the Program for Students with Disability, accessed February 2018 at <http://www.education.vic.gov.au/Documents/about/departmentsPSD-Review-Report.pdf>

Overview and underpinning principles

Figure 1: Principles underpinning the new funding model

1	Equity and Fairness	School funding should be distributed using a needs-based approach .
2	Accountability	Appropriate accountability mechanisms should be introduced to support the new funding model.
3	Promote Inclusive Education Practice	The funding model should support school leaders and teachers to use resources broadly and flexibly to meet the varied teaching and learning needs of students.
4	Transparency and Simplicity	The funding model should minimise complexity in funding allocations and administrative burden to improve transparency (as to the formulas used in calculations).
5	Integrity in needs assessment	Decision making and assurance / moderation processes should be included into the model to promote equity and integrity in assessing the needs of students. Prevent 'gaming'.
6	Transitional Fairness	Transition should use a staged process that maintains fairness and minimises disruption to schools.
7	Financial Sustainability	The model must balance finite Government resources against the needs and size of its student population .

Structure of the new model

The new funding model is based on a simple, structured approach to funding and resourcing which takes into consideration the additional and variable needs of students with disability, and ensures that those students who are in most need of support receive funding commensurate with these needs.

Under the new model, all students, including those with disability, will continue to receive **core funding allocations** to cover the base costs associated with operating a school. These allocations are intended to be sufficient to provide a high quality education to the student cohort. Core and school based funding is delivered to schools through the **Fairer Funding Model (FFM)** which recognises that a core base of funding is required for all schools as well as providing additional funding to address challenges associated with socio-economic status and geographic location. Other factors impacting on these allocations include the number of students enrolled and the facility costs associated with operating the school.

The new funding model builds on the FFM and introduces:

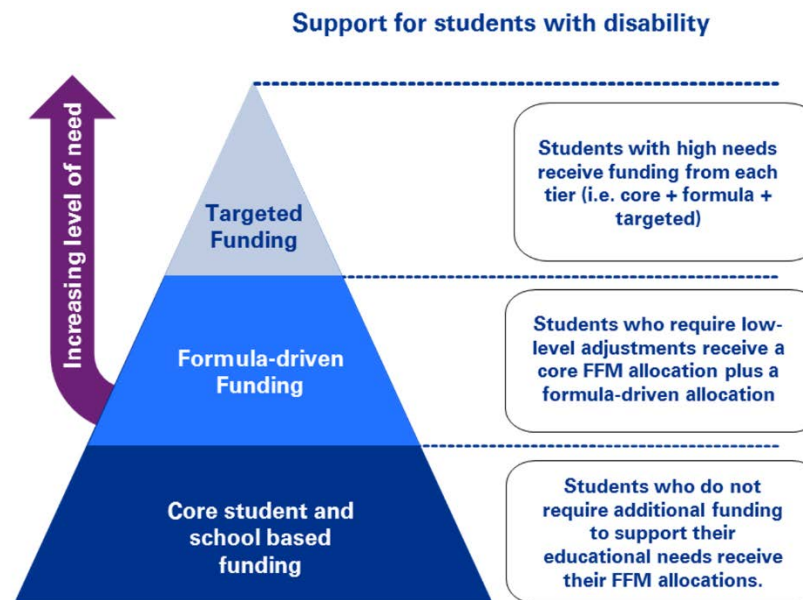
- A **formula-driven allocation** for all students with disability (identified as requiring Extensive, Substantial or Supplementary levels of adjustment under the NCCD). This tier of funding recognises the additional learning and support needs of students with disability in need of an educational adjustment.
- An additional **targeted funding allocation** for students requiring higher levels of support and adjustments (that is, requiring Extensive and Substantial levels of adjustment under the NCCD). Targeted funding will provide for a higher level of support for students with the greatest level of need, and highly differentiated and specialised responses. This tier recognises that student need cannot be fully met through formula-based loadings.

Under the new model, students requiring more intensive levels of support and adjustment would attract greater level of additional resources compared with those requiring lower levels of support and adjustment.

It should be noted that students assessed as requiring support within Quality Differentiated Teaching Practice (QDTP) do not attract additional resources.

The structure of the new funding model is illustrated in Figure 2 below.

Figure 2: Structure of the new funding model



Structure of the new model

The Nationally Consistent Collection of Data (NCCD) levels of adjustment will be used to guide determinations on eligibility for funding and to inform the level of funding under the new model.⁸ The defined NCCD levels are ⁹:

- **Extensive:** Extensive adjustments are provided when essential specific measures are required at all times to address the individual nature and acute impact of the student's disability and the associated barriers to their learning and participation. These adjustments are highly individualised, comprehensive and ongoing.
- **Substantial:** Substantial adjustments are provided to address the specific nature and significant impact of the student's disability. These adjustments are designed to address the more significant barriers to their engagement, learning, participation and achievement.
- **Supplementary:** Supplementary adjustments are provided when there is an assessed need at specific times to complement the strategies and resources already available (for all students) within the school. These adjustments are designed to address the nature and impact of the student's disability and any associated barriers to their learning, physical, communication or participatory needs.
- **QDTP:** Quality teaching practice is responsive to the differential needs of all students. Some students with disability may not need educational adjustments beyond those that are reasonably expected as part of quality teaching or school practice to address disability related needs.

⁸ Department of Education and Training (2014), *Implementing the Nationally Consistent Collection of Data on School Students with Disability (NCCD) - Strategies to support decision making*, accessed on 19 July 2017 at <http://www.schooldisabilitydatapl.edu.au/docs/default-source/default-document-library/strategies-to-support-decision-making.pdf>

⁹ Descriptors presented were used for the data collection exercise with schools. Updated NCCD adjustment descriptors have recently been released and are available at <https://www.nccd.edu.au/>.

How NCCD levels of adjustment are used in the model

As noted earlier, all students with disability requiring at least a supplementary level of adjustment will receive a formula-driven allocation, regardless of their adjustment needs.

Students requiring **Supplementary levels of adjustment** will receive the formula-driven allocation only.

Students requiring **Extensive and Substantial levels of adjustment** will receive both the formula-driven allocation and a targeted funding allocation. The NCCD levels of adjustment are relatively broad, however, and do not capture the variability in need across the student population. To accommodate this, the new funding model utilises more nuanced sub-categories for both the Extensive and Substantial levels of adjustment:

- Three (3) sub-categories for Extensive level of adjustment: Extensive 1 (highest need) to Extensive 3.
- Two (2) sub-categories for Substantial level of adjustment: Substantial 1 and Substantial 2.

Students requiring an Extensive 1 level of adjustment will receive the highest funding allocation.

Summary descriptions of each adjustment sub-category are provided on the following page. The alignment of these sub-categories to the formula-driven and targeted funding tiers of the funding model is reflected in Figure 3.

Determining a student's level of need

The Department has developed Levels of Adjustment descriptions to underpin the new funding model. The descriptors define the levels of adjustment for students with disability at each adjustment level across four domains: Teaching and Learning, Communication, Access, and Personal Care/Safety. Summary descriptions of each adjustment level are provided in Table 3 below.

Table 3: Summary of adjustment level descriptors

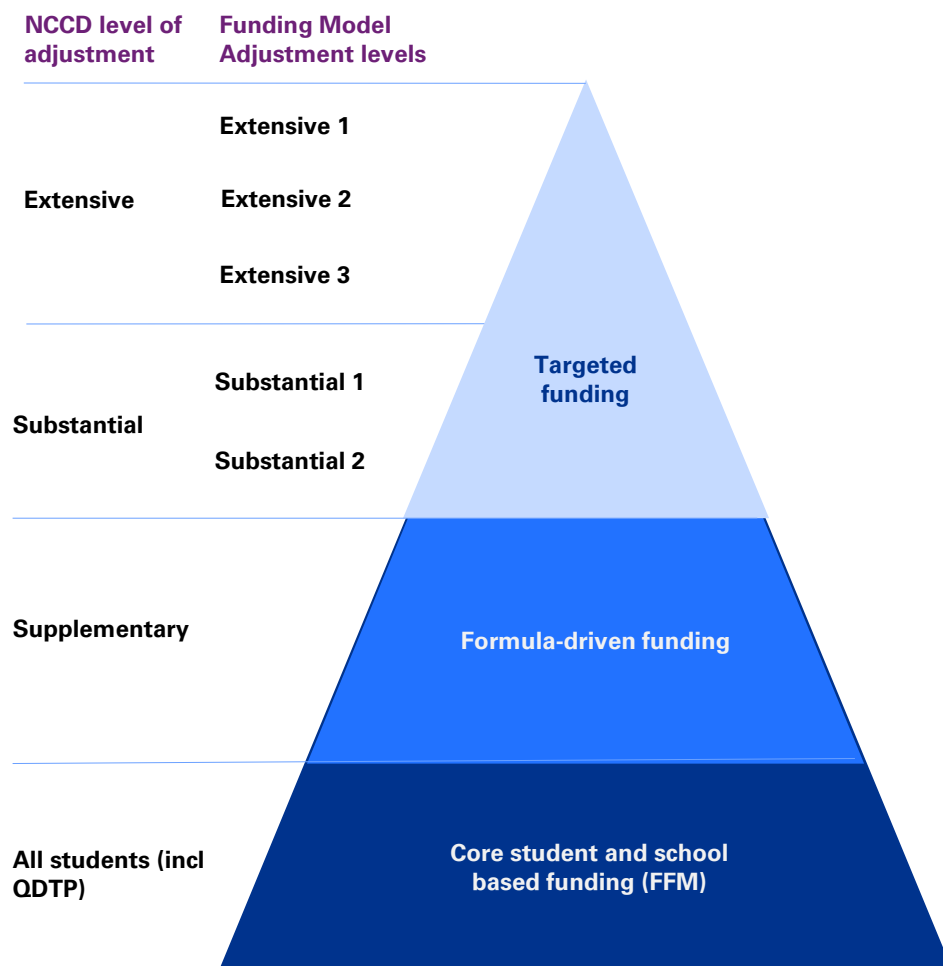
Adjustment level	Description
Extensive 1	<ul style="list-style-type: none"> The student requires full personal care support, constant and vigilant assistance with their wellbeing, movement, communication, personal care, health and safety. This includes intensive support for life threatening conditions. Adjustments are in addition to highly personalised learning program adjustments that are comprehensive and ongoing.
Extensive 2	<ul style="list-style-type: none"> Personalised modifications to all curriculum courses, programs, school activities, and assessment procedures. A student requires assistance with personal care in some areas but not all. The supports and adjustments are coordinated and delivered by a multidisciplinary team in conjunction with the student's family and relevant others.

Adjustment level	Description
Extensive 3	<ul style="list-style-type: none"> The student requires extensive personalised learning and assessment, highly structured interventions and significant supervision. The learning program includes significantly tailored curriculum content and high levels of assistance with most learning experiences. Teaching of new concepts is direct and explicit.
Substantial 1	<ul style="list-style-type: none"> Students at this level require considerable differentiation of their learning program with learning goals linked to curriculum significantly lower than their grade level, or require significant adjustment by teachers to learning materials, delivery models/pedagogy, and assessment procedures.
Substantial 2	<ul style="list-style-type: none"> Students may be accessing some curriculum areas on the same basis as their peers depending on the specific nature and impact of the student's disability. Students may require differentiated programs and personalised learning goals in some curriculum areas where they are operating significantly below that of peers.
Supplementary	<ul style="list-style-type: none"> Adjustments to teaching and learning might include modified or tailored programs in some or many learning areas, modified instruction using a structured task-analysis approach, the provision of course materials in accessible forms, separate supervision or extra time to complete assessment tasks and the provision of intermittent specialist teacher support.

Source: Department of Education

Alignment of levels of adjustment to the funding model

Figure 3: Alignment of NCCD levels of adjustment to the new funding model



Data collection underpinning the funding model

KPMG conducted a data collection exercise in August and September 2018 which involved collecting data from a number of Tasmanian Government schools. The data collection sought to identify and quantify the resources required to provide appropriate adjustments for students with disability to access quality learning programs.

A 'case study' approach was utilised to determine the resources used to support and make adjustments for a sample of students. KPMG also discussed whether current supports and adjustments were sufficient to meet students' individual needs and achieve learning outcomes, or whether additional resources were required.

The data collection and analysis undertaken supports the new funding model structure, with estimated indicative costs of supports and adjustments highest for students requiring adjustments at the Extensive 1 level, and lowest for students requiring adjustments at the Supplementary level.

In addition, the majority of the current and indicative cost of support and adjustments related to teaching costs (predominantly support teacher and teacher assistant time), with some costs attributed to individual learning and other planning and communication and liaison (with parents, service providers and external professionals). Teacher assistants provide the majority of support to students across the sample.

As well as confirming the structure of the model, the underlying data collected will provide the basis for determining the per student funding allocations for the 2020 school year. The formula-driven and targeted funding components of the model are described on the following pages.

Formula-driven allocation

All students on the NCCD will receive a formula-driven allocation. As noted earlier, a proportion of the formula-driven allocation will be for **Support Teacher FTE**, and a proportion will be **allocated as cash**.

Cash allocation

A per student cash allocation will be provided for each student on the NCCD. This allocation will be based on a standard rate per student, and will be adjusted where a student is not enrolled on a full-time basis.

The per student cash allocation will be provided to schools. Allocations for students at the substantial and extensive levels will be tagged to individual students and will transfer between schools if a student is to transfer during a school year. Allocations for students at the supplementary level will be made at the school level and will remain with the school if a student transfers during a school year.

Support teacher allocation

In addition to the per student cash allocation, schools will also receive a Support Teacher allocation per student on the NCCD requiring at least a Supplementary level of adjustment (again adjusted for part-time enrolment). This will contribute to embedding good practice in schools by ensuring appropriately skilled and experienced teachers are providing the required educational adjustments.

Each school's Support Teacher allocation will be adjusted based on a **school's concentration of students with disability**. This reflects findings of a national 2015 report¹⁰ relating to educational adjustments which found that schools with a higher proportion of students with disability have lower per student costs in the provision of educational adjustments because of economies of scale.

The allocation of support teacher FTE will be based on a banded approach:

- Band 1: The highest support teacher FTE allocation per student for the first 10th percentile concentration of students with disability at a school.
- Band 2: A lower support teacher FTE allocation per student for the second 10th percentile concentration
- Band 3: Lowest support teacher FTE allocation per student for all other students with a disability (third 10th percentile and above)

For example:

A school with a total enrolment of 200 students, including 24 students with disability. The proportion of students with disability at the school is 12 per cent.

- 20 students (the first 10th percentile) will receive the highest (band 1) support teacher FTE allocation
- 4 students (the second 10th percentile) will receive the lower (band 2) support teacher FTE allocation

Another school has a total enrolment of 550 students, including 25 students with disability. The proportion of students with disability at the school is 5 per cent. All students with disability will attract the highest (band 1) support teacher allocation.

It should be noted that under the new model, all **schools will continue to receive a minimum Support Teacher allocation of 0.2 FTE**.

Support Teacher allocations will be provided to schools, and not tagged to particular students. This will provide schools with some certainty about support teacher allocations and flexibility to provide educational adjustment across a number of students with disability.

¹⁰ PriceWaterhouseCoopers, 'NCCD Continuous Quality Improvement Project: Additional Resourcing Final Report', (Commonwealth Department of Education and Training, 2015).

Formula-driven and targeted allocations

Determining the formula-driven allocations for 2020

The value of the formula-driven allocation per student will be the equivalent value of the support and adjustment for a student at the Supplementary level.

This will be based on the estimated costs of providing support and adjustment from the 2018 KPMG data collection, adjusted for the overall budget envelope available for supporting students with disability. The budget envelope for the 2020 year will be announced in the Tasmanian State Budget in May 2020.

The proportional split between cash and Support Teacher allocations will be determined by the Department, and will balance the need to facilitate and embed good practice in schools with the Department's ability to meet any increase in Support Teacher numbers resulting from implementation of the model.

Targeted funding allocations

The new funding model also provides a targeted funding allocation for students with high needs, that is, students requiring Extensive and Substantial levels of adjustment.

Targeted funding allocations will be provided on a per student basis (adjusted for part-time enrolment). The targeted funding will be **allocated as cash** and will be **tagged to individual students**. The cash allocation will transfer between schools if a student is to transfer during a school year.

The largest targeted cash allocation will be provided for students requiring Extensive 1 levels of adjustment, and the lowest targeted cash allocation will be for students requiring Substantial 2 levels of adjustment. All students receiving a targeted cash allocation will also receive the formula-driven cash and Support Teacher allocation.

The targeted funding allocations will be based on the indicative cost of support and adjustment for students at each adjustment level, less the formula driven allocation. The indicative cost of support and adjustment at each adjustment level will be based on the estimated costs of providing support and adjustment from the 2018 KPMG data collection and adjusted for the overall budget envelope available for supporting students with disability.

Targeted funding allocations for the 2020 school year have not yet been determined. Allocations are dependent on the overall funding envelope available for supports and adjustments for students with disability, and this will be announced in the Tasmanian State Budget in May 2020.

Number of students funded

Eligibility for funding under the new model is guided by the Nationally Consistent Collection of Data (NCCD) levels of adjustment, rather than the nature of a student's disability or their IQ. This means the overall number of students funded across the state will differ under the new model to current arrangements.

Estimates indicate the **total number of students likely to be funded will increase by 1,993 under the new model** (4,552 students compared to 2,559 under current arrangements – outlined in Table 4).

Table 4: Estimated number of students and indicative funding: 2018 (current model) and new model

	Estimated number of students funded (FTE) ¹¹
Cohort receiving funding 2018	2,559 ¹²
NCCD (New Model)	4,552
Difference	1,993

Table 5: Estimated number of students to be funded under the new model

Adjustment level	Estimated number of students funded (FTE) ¹³
Extensive	529
Substantial	1,499
Supplementary	2,524
Total	4,552

^{11, 12} Estimates do not include students in Kindergarten. Figure is as at 31 March 2018.

¹³ Estimates do not include students in Kindergarten.

Potential impacts of the model

Potential impacts on students

The new model represents a significant shift away from current funding arrangements by allocating funding according to level of need rather than nature of disability or IQ, and the majority of students with disability will receive additional or new funding under the new model. In particular:

- Most students funded under current arrangements are likely to receive more funding under the new model
- Some students will receive funding for the first time
- Some students may receive a lower level of funding under the new model than under the current arrangements.

Students currently receiving funding under IQ 55 – 70 and students who do not receive funding under the current arrangements are likely to benefit most from the new model.

Students who receive lower levels of funding are likely to be students on the SDR. SDR students currently receive a relatively generous level of funding (approximately \$18,000 to \$27,000 as a cash allocation and 0.2 FTE as a support teacher allocation). Under the new model, these students are likely to receive a lower FTE allocation and some will receive a lower cash allocation. Students who require lower levels of funding will do so on the basis of educational need related to their disability. It is also important to note, the support teacher allocation provided to schools for students on the SDR is already used flexibly by schools to support all students requiring education adjustments, and the new model will likely result in an increase in the number of Support Teachers overall.

The exact impact for individual students will be determined once the funding envelop for 2020 has been agreed (and formula-driven and targeted allocations have been determined), and once the student assessment and moderation processes to determine levels of adjustment have been completed.

Potential impacts on schools

Implementing the new model will also impact the overall level of funding provided to schools across the state. The new model seeks to embed good practice that encourages schools to use personnel with the appropriate skills and expertise to undertake specific tasks. The model seeks to achieve this by providing a Support Teacher (FTE) allocation as part of the formula driven funding allocation. This means the majority of schools will likely receive a higher support teacher (FTE) allocation under the new model compared to current arrangements.

Many schools are likely to receive a higher funding allocation overall compared with current arrangements. The number of students who will receive funding under the new model and school determination of level of need for individual students will be the driving factors for these movements. For example, there will be some schools who will receive funding for some students with disability for the first time.

However, some schools could receive a lower funding allocation under the new model compared to current allocations. These schools typically will have a number of students receiving funding who are classified as requiring educational adjustments within QDTP, and/or a number of students who receive relatively high levels of funding currently but who will attract lower Supplementary/formula-driven allocations under the new model.

Again, the exact impact for individual students will be determined once the funding envelop for 2020 has been agreed, and once the student assessment and moderation processes to determine levels of adjustment have been completed.



Section 4: Implementation considerations

Implementation considerations

The Department has indicated that the model will be implemented in Tasmanian Government Schools from the 2020 school year, and that additional funding is being sought for implementation. There are a number of considerations and actions required to support implementation.

Securing additional funding for 2020 school year

Additional funding is being sought to implement the new model.

Additional funding will allow for an overall increase in the number of students with disability receiving funding for supports and adjustments, and an increase in the level of resourcing for the majority of students.

While the new funding model theoretically could be implemented within current resources, this would give rise to two significant issues:

- The data collection undertaken by KPMG indicated that current resourcing for students with disability is insufficient, and that indicative costs of support for sample students was greater (and in some cases significantly greater) than current costs. Implementing a new funding model which is not supported by an increase investment would likely result in widespread dissatisfaction and could undermine support for the model
- Implementing the model without additional investment would mean some students (those that receive a relatively generous level of funding currently) and the schools they attend would receive substantially less resources under the new model. While this would be balanced by an increase in the number of students receiving funding overall, it would likely give rise to opposition from parents and schools, and may not be acceptable to government.

If additional funding were unable to be secured, then consideration should be given to delaying implementation of the new model.

Securing additional funding in future years

Securing additional funding in future years will increase the level of resources available to all students.

Should additional resources become available in future years, it is suggested that they be allocated to the formula component (to benefit all students). Further, it is suggested that resources be used to *increase the number of support teachers in schools*, given the importance of support teachers in facilitating educational outcomes for students with disability and to align with contemporary educational practice.

This will require changes to the formula-driven allocations, and specifically:

- an increase in the support teacher FTE allocation per student
- no change (or a reduction) in the cash allocation per student in the formula-driven component

Additional funding will also mean adjusting the cash allocations for the targeted funding components of the model (that is, cash allocations for students requiring Extensive and Substantial levels of adjustment) – to maintain the relativities between categories of adjustment.

The effect of these changes would be to increase the proportion of resources allocated for support teachers, and reduce the proportion allocated to cash.

Managing changes to current funding arrangements

Implementation of the new funding model, together with an increase in the budget envelope, will mean that more students will attract resources and funding, the majority of students currently receiving funding will be better resourced, and the majority of schools will be better resourced.

Implementation considerations

However, there will be some students and some schools who will not attract the same level of resources and funding. Some students and schools will receive a lower level of funding under the new model than under current arrangements.

The Department may wish to provide some time limited support to those schools with a significant variation in funding under the new model – particularly where schools will need to significantly reduce staffing levels. This could involve a transition period where funding (or part thereof) is continued for affected staff for the first year of implementation, together with an agreed transition plan which reflects expected future resourcing.

Communication with schools and parents

Some consultation and communication with schools, parents and other stakeholders has already been undertaken to support the development of the funding model. Further, a number of schools participated in the data collection process to underpin the financial modelling.

Additional communication and information provision with schools, parents and other stakeholders. will be required to support implementation of the model, encompassing:

- the structure and components of the new model and underpinning principles
- proposed funding (cash) and support teacher allocations for different NCCD levels of adjustment
- process for assessment and categorisation of students into NCCD levels of adjustment (and subsequent moderation processes)
- timeframes for implementation.

Different communication methods and resources will be required for schools (principals, support teachers, and classroom teachers), for parents, and for other stakeholders. This may include online resources (eg factsheets, regular newsletters), forums or information sessions, and/or individual school visits.

It is suggested that a comprehensive Communications Plan be developed to support engaging and communication with schools, parents and other stakeholders.

Assessment and categorisation of students

The majority of students who will be funded under the new model will have an NCCD Level of Adjustment (that is, Extensive, Substantial, or Supplementary) identified for the 2019 school year, and schools are familiar with the current assessment and moderation process to identify students' NCCD level of adjustment.

The assessment process for 2020 will require schools to categorise students – for the first time – in terms of the more detailed levels of adjustment that have been developed as part of this funding model. This will require a different, more in-depth process, as well as potentially extensive support for schools – to be delivered by the Department.

This is likely to include:

- communication and information resources and forums to assist schools to develop a detailed understanding of the new level of adjustment descriptors (including case studies), and tools and resources available – eg online resources, factsheets, forums/workshops for school staff.
- new online and other tools to assist schools in the assessment and categorisation of students, based on the level of adjustment descriptors. These tools should be developed by the Department.

Implementation considerations

- additional support and staff resources to assist individual schools in the assessment and categorisation of students – for example, Departmental staff assisting with initial assessments (in-person).
- a more in-depth moderation process, with additional Departmental and school staff time and conducted over a longer period.
- communication with schools once the assessment and moderation processes are complete on lessons learnt from the first year's assessment and moderation process – to inform improvements to resources and tools to be used in future years' processes.

Application of the model to support schools and the e school

The principles and structure of the new funding model applies to all Tasmanian Government schools. However, the indicative funding (cash) and FTE allocations reflected in this report apply to *mainstream Government schools only*. This is because Tasmania's three support schools, Launceston Big Picture School and Tasmanian eSchool operate very differently from mainstream schools and as such have different cost structures, and the underlying modelling undertaken by KPMG does not apply to these settings. In particular:

- Support schools have higher ratios of teachers to students, blending of classroom and support teacher roles, and ability to benefit from economies of scale in the provision of supports and adjustments (due to higher concentrations of students with disability).
- The eSchool provides education to students in remote locations and to students who are unable to attend school (for example, because of behaviours of concern, mental health issues). Students may attend an eSchool campus occasionally or for limited periods, and teaching and support is generally one-on-one.

It is suggested that additional analysis and modelling be undertaken on the costs of delivering education, supports and adjustments in support schools and the eSchool, with a view to developing revised funding (cash) and FTE allocations for support schools and eSchool from the 2021 year. This could utilise and expand on the data collected by KPMG from the Northern Support School and eSchool, together with broader staffing and other cost data for each school.

Engaging with the Catholic and Independent schools sectors

The model and indicative allocations apply to Government schools only. The Catholic and Independent schools sectors have already expressed interest in the new model and its potential application in non-Government schools, though this will be a decision for Catholic and Independent schools. The Department may wish to proactively engage with the Catholic and Independent schools sector to assist them to understand the model in detail, and to assist them determine how it can be applied to non-government schools.