

## **Response from NLEO to the Discussion paper from the Review of the loading for low socio-economic status**

The NGO Leaders for Educational Opportunity (NLEO) has consistently advocated for needs-based, sector-blind resourcing to support disadvantaged students. NLEO is comprised of a broad range of community and charitable organisations who work with hundreds of thousands of young people across Australia.

NLEO strongly supports the use of additional school funding loadings for low socioeconomic status (SES) background students in order to reduce the link between SES background and educational attainment. This link is clearly articulated in the discussion paper through the PISA data and is further confirmed by NAPLAN data. We believe well-targeted additional funding (or 'loadings') for low-SES students is key to reducing this achievement gap.

A low-SES loading recognises the higher average costs of educating children from disadvantaged backgrounds. The educational needs that arise from disadvantage are not uniform and can manifest in ways that require solutions tailored to a local context. The use of loadings recognises this and gives school leaders, who are well placed to assess these needs, the agency to develop appropriate strategies to support low-SES students. This represents a positive step away from a 'one-size-fits-all' model of intervention.

Research has also shown that school-wide concentrations of disadvantage exert an impact on a student's academic results that goes beyond their individual circumstances. For this reason it is vital that extra funding is available to schools with higher proportions of disadvantaged students. This can help not just low-SES students in such schools, but also those with individually high-SES backgrounds, whom evidence shows will also face declining academic results as the concentration of disadvantage within a school rises.

Low SES loadings are a central component of the school funding strategy proposed in the 2011 Review of School Funding. Ensuring they are implemented is a key component of building a quality schooling system that "promotes equity and excellence," as envisioned in the 2008 Melbourne Declaration on Education Goals for Young Australians. The declaration committed Australian governments to ensuring that socioeconomic disadvantage ceases to be a significant determinant of educational outcomes.

The NLEO believe an evidence-based application of loadings can narrow this achievement gap. To this end, the following characteristics of the school funding model legislated in 2013 have our strong support:

- The use of low-SES loadings as a means of addressing the SES achievement gap
- Funding support for both the lowest and second lowest SES quartiles
- Recognising that concentration of disadvantage matters, with appropriate additional loadings for schools with higher proportions of low-SES students.
- A low-SES loading system that takes into account both individual disadvantage and school-wide concentration of disadvantage.

Given the continuing gap in educational performance between young people from low SES and those from high SES, NLEO would strongly urge that there be no scaling back of the level of support provided for low SES students.

#### Accountability structures related to low-SES loadings

NLEO has consistently advocated that funding loadings alone are insufficient to significantly reduce the link between SES and educational attainment. It has argued that resources must be used to best effect by implementing appropriate interventions, supports and pedagogies that are responsive to student circumstances and needs. It has also argued that the evidence of what works should be used to inform what happens in schools. NLEO is therefore concerned at the lack of detail regarding accountability and support measures to ensure additional funding for low-SES students is spent in a manner which will yield the greatest benefit.

NLEO has consistently raised concerns regarding the lack of evaluation of many funded programs aimed at improving educational outcomes, including those funded by Government. Knowledge on what is effective in improving educational outcomes has been more limited than is desirable, particularly given the significant investment.

The Commonwealth is best placed to play a leadership role in identifying successful initiatives and approaches that improve educational outcomes and for sharing that knowledge. This would contribute to more effective and efficient program delivery and better use of limited resources.

In addition, to ensure funding from loadings achieves its maximum impact, schools should be held accountable for both how the additional funding is spent and the resulting impact on the educational attainment of low-SES students.

The recent United Kingdom experience in introducing additional funding for disadvantaged students shows a framework of accountability and support is necessary for schools to spend this funding effectively.

Launched in 2011, the 'pupil premium' saw schools which enrolled disadvantaged students attract an additional per student funding amount. Schools were initially free to pool this money into their general accounts, and were not supported to acquire the skills and knowledge necessary to research, evaluate and make decisions based on the most cost effective means of delivering improvements. In 2012 the Sutton Trust, a leading UK education charity, surveyed teachers on how they intended to use the Pupil Premium and concluded that schools could have spent the funding more effectively had spending decisions been better informed by evidence<sup>1</sup>.

In response, a number of accountability measures, support services to facilitate the undertaking and dissemination of education research, and opportunities for collaboration between schools and research institutes, were phased in. Both the English schools inspectorate and the Institute of Education have reported greater engagement with research and a more evidence informed use of the pupil premium funds following these reforms.

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<sup>1</sup> <http://www.suttontrust.com/newsarchive/pupil-premium-money-will-limited-impact-poorer-pupils-teacher-survey-suggests/>

NLEO recommends that appropriate accountability mechanisms and additional research support for school leaders and teachers be implemented to complement the use of loading funding.

Drawing on the UK's experience, strategies could include:

- Having loading payments accounted for separately to school general revenue to reflect their specific purpose in addressing the needs of disadvantaged students and requiring schools to publish details of how they used their loading funding .
- Building networks and providing training and support for principals and teachers to assess the needs of disadvantaged students and utilise research to devise effective interventions.

#### Publicly available data

NLEO also believes that the Commonwealth has a leadership role to play in monitoring and publicly reporting on educational outcomes across the nation, for particular groups of students, including those from low socio-economic backgrounds. Without this, there will be a lack of transparency regarding the educational outcomes of young people, particularly those from disadvantaged backgrounds. The risk is that limited financial resources will be poorly spent, resulting in both a lack of effectiveness and inefficiencies.

The role previously played by the Council of Australian Governments' Reform Council in this regard, was particularly well regarded by NLEO. The Council provided annual educational data across key measures such as literacy and numeracy, Year 12 attainment and young people's post-school engagement in employment and further education. This data was provided at national and state/territory levels, and importantly for various groups of students such as Aboriginal and Torres Strait Islander young people, those from low SES and those living in rural and remote areas.

NLEO welcomes the Commonwealth's continuing commitment to reporting on outcomes for Aboriginal and Torres Strait Islander peoples, through the Closing the Gap initiative. NLEO strongly urges the Commonwealth to make a similar commitment to publicly reporting on the educational outcomes of other groups such as those from low SES. This is a key platform for public accountability and for monitoring progress on the intent of additional funding aimed at addressing the educational disadvantage experienced by young people from a low SES background.

#### **NLEO members**

Anglicare Australia  
Ardoch Youth Foundation  
Australian Council of Social Service  
Beacon Foundation  
Brotherhood of St Laurence  
Centre for New Public Education  
Good Beginnings  
Mission Australia  
Public Education Foundation  
Social Ventures Australia  
The Benevolent Society  
The Smith Family