October 2019

The Resource Allocation Model (RAM) 2020

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Minister’s message

This is the seventh year of providing funding certainty to every NSW public school through the Resource Allocation Model (RAM), a nationally recognised needs-based funding model.

As we enter the seventh year of successful delivery of funding certainty to NSW public schools, we acknowledge that Principals, in partnership with their local school communities, are best placed to decide how to use their school’s resources.

In 2019, Principals throughout NSW expressed the need for more time to plan and prepare their funding allocations for the year ahead. We listened. The 2020 Planned School Budget Allocation Report (SBAR) will be delivered in the first week of Term Four 2019, ahead of schedule.

The NSW Government is leading the implementation of needs-based funding to ensure our public school students are at the centre of all decision making and that funding is distributed fairly, transparently and efficiently.

In 2020, $1.25 billion will be delivered to schools through the seven RAM loadings - the equity loadings (socio-economic background, Aboriginal background, low level adjustment for disability, English language proficiency) and the base loadings of location, per capita and professional learning.

This means that schools will see the benefit of $433 million to support students through the equity loading for socio-economic background and $201 million through the per capita loading.

We are continuing to provide $51 million to support Principals as part of the School Leadership Strategy and $10 million to continue supporting small schools with teaching principals.

The NSW Department of Education will continue to provide targeted support and will assist NSW public school leaders to make confident and evidence-based resourcing decisions so that every student, every teacher, every leader and every school improves every year.

As I travel around NSW, I see schools meeting their local needs by working together and combining resources within their communities of schools to facilitate cross-collaborative learning and to ensure high quality educational opportunities for all students.

Schools are using their funding to benefit students and the whole school community in targeted and innovative ways, which include:

- engaging expert teachers as instructional leaders to build the capacity and professional knowledge of all teachers
- enhancing community consultation and engagement through parent education programs and the employment of community liaison officers, Aboriginal community liaison officers and other key staff members
- implementing programs to enhance student wellbeing including the operation of breakfast clubs, outreach centres, and mindfulness and positive psychology courses
- sharing specialised staff such as business managers, technical support officers and subject specific teachers within communities of schools.

The NSW Government has a vision to make our education system the best in Australia, and one of the finest in the world. Through our ongoing commitment to needs-based funding and other key initiatives, we are working with school leaders to achieve this vision and secure the best possible future for every student.

The Hon. Sarah Mitchell MLC
Minister for Education and Early Childhood Learning October 2019
Components of the RAM explained

1. Targeted (individual student) funding
Many students with particular learning needs benefit from targeted individual support. Funding for this support enables schools to respond to additional student learning needs as they arise throughout the school year.
The Resource Allocation Model (RAM) delivers dedicated funding to support the provision of personalised learning and support for these students.
This component of the RAM includes targeted funding for:
• refugee students who have been enrolled in an Australian school for less than three years
• newly arrived students who speak a language other than English as their first language and require intensive English language tuition
• students with moderate to high levels of adjustment for disability who access support through the Integration Funding Support Program.

2. Equity loadings
Socio-economic background
The rate of funding per student is based on a combination of individual student and school need using the Family Occupation and Education Index (FOEI).
Aboriginal background
The loading reflects both percentage and number of Aboriginal students in the school.

English language proficiency
The loading is calculated using each school’s reported level of English as an Additional Language or Dialect (EAL/D) need.

Low level adjustment for disability
The loading is based on the number of students in regular classes with additional learning and support needs.

3. Base school allocation
The base school allocation provides funding for the core cost of educating each student and operating a school.
The base school allocation comprises staffing (at standard cost) and operational funding.
Five principles underpin the RAM methodology

1. The RAM is based on student and school need. The funding provided to schools reflects the needs of individual schools and their students.

2. The RAM is evidence based. The components of the model are underpinned by educational research and the latest NSW school and student data.

3. The RAM efficiently and transparently directs funds to schools. Funding flows directly to schools and they know the elements that make up their funding allocation.

4. The RAM provides certainty for schools. The model supports effective school planning and enables the needs of our most vulnerable students to be addressed.

5. The RAM is sustainable and adaptable. The model has the capacity to adapt to policy priorities and changing student populations in the future.

How the funding supports students

Schools have access to a range of resources to support their students including those available through the seven needs-based loadings allocated through the RAM. Principals use their school’s total resources flexibly, including combining loadings, to respond to the learning needs of all students in the school.

All schools have a school plan in which they outline how they will support students. Accountability for the effective use of the funds to improve student learning occurs through the annual report.

Supporting the effective use of funding

A range of professional learning opportunities are available for Principals and staff including:

- developing and managing the total school budget
- strategic resource management: delivered through the SBAR and RAM
- school planning, budgeting and resourcing for new and relieving principals and aspiring school leaders
- leadership development through the School Leadership Strategy
- using the enterprise Financial Planning Tool (eFPT).

For information about how schools are using their equity funding, please visit the RAM page of the department’s website.