The Resource Allocation Model (RAM) in 2019
An overview
Minister’s message

We are entering our sixth year of providing funding certainty to every NSW public school through a nationally recognised, needs-based funding model.

In 2019, $1.18billion will be delivered to schools through the seven Resource Allocation Model (RAM) loadings - the equity loadings (socio-economic, Aboriginal, low level adjustment for disability, English language proficiency) and the base loadings (location, per capita and professional learning).

Schools will also see the benefit of more than $100million in increased funding including $30million to support students through the equity loading for socio-economic background and $30million through the per capita loading.

We have also added to the utilities budget which will support schools and are continuing the $50million to support principals as part of the School Leadership Strategy.

$10million has also been added to the budget to support teaching principals for 2019 as a one-off allocation.

We are leading needs-based funding to ensure our students are at the centre of all decision making and that funding is distributed fairly, transparently and efficiently.

We understand that principals, in partnership with their local school communities, are best placed to decide how to use their resources to meet their students’ needs and improve their learning.

In reaffirming our ongoing commitment to Gonski, we are ensuring that every school in the state receives fair funding based on the needs of its students.

This year, we are doing more than ever to assist students and I am pleased that by providing additional funding to the schools and students who need it most we can continue to enhance our excellent education system.

Delivering funding directly to schools remains an effective way to support improvement for every student, every teacher, every leader and every school.

As I travel around NSW, I see schools everywhere using this funding 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:**

- focusing on students’ academic, engagement and wellbeing needs
- employing specialist teachers and engaging expertise such as business managers and speech pathologists
- leveraging the knowledge and skills of expert teachers to build the capacity and professional knowledge of all teachers.

The NSW Department of Education has a vision to be Australia’s best education system and one of the finest in the world. Through our ongoing commitment to needs-based funding and other key initiatives, we are working together to achieve this vision and secure the best possible future for every student.

Rob Stokes MP
Minister for Education
November 2018
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 the 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

The RAM:

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

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

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

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

• **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
• consultative decision making
• leadership development through the School Leadership Strategy
• using the enterprise Financial Planning Tool.

A suite of materials has also been developed to assist principals, staff and school communities to understand their school’s funding allocation.

This information is available on the department’s website and is updated regularly. Staff and school communities can speak to their principal if they have any questions. Principals can seek further advice on any aspect of the school’s allocation from their Director, Educational Leadership.

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