



## **NEEDS BASED FUNDING MODEL ARRANGEMENTS FOR CATHOLIC EDUCATION WILCANNIA-FORBES (CEWF): 2025 School Year**

### **Locational Context**

The Diocese of Wilcannia-Forbes is located across the Central and Far West regions of NSW and encompasses 52% of the state's landmass. It is approximately the size of France. The Diocese shares a common boundary with eight other Catholic Dioceses in three states. The population is widely dispersed. There are 1699 students (Aug'24 census) being educated in 18 Catholic primary schools, representing less than 1% of students in Catholic schools in NSW.

### **Funding Context**

CEWF operates in a resource-constrained environment with income and expenditure being closely managed to provide an accessible, low fee Catholic school option to the community.

The financial information included in this document represents the 2025 forecast largely based on historical information, 2025 approved budget and on assumptions about future events.

The financial information is provided to indicate the magnitude of the income and expenditure of CEWF but should not be relied upon for its accuracy. The final financial allocations across the system are reported to the Australian Government and published at a school level on the ACARA My School website.

### **Funding in General**

Over many years CEWF has developed strategies to address common and specific needs of schools whose student cohorts are remote/rural, low SES and have high indigenous populations. CEWF provides a full range of services: Primary School Education including Religious Education; Information and Communication Technology; Finance and Planning; and Human Resources to assist in the delivery of government, system and local initiatives.

The Rural/Remote Model of Educational Delivery used by CEWF reflects an adaptive, needs-based approach to supporting school communities. This approach recognises geographic, social and emotional isolation and connects context to the provision of educational services. The majority of system schools are characterised by limited access to:

- community health resources
- family support services
- specialist medical and allied health services, and
- internet and town-based IT support.

CEWF has established an effective rural/remote model of Catholic education to suit the context of schools in western NSW, often in adverse conditions that are not in popular locations.

### **School Fees**

Given the location and context of Wilcannia-Forbes schools, school fees contribute only a small share of the system income. In 2025 school fees are estimated to be \$2.5 million representing 5% of the total income.

School fees are collected by each school and remain within the school to fund teaching resources, education initiatives, capital works and a contribution towards the maintenance of the school.

### **Recurrent Funding**

Recurrent funding is provided by both the Commonwealth and State governments at approximately 80% and 20% as per their respective Education Acts. All Australian governments have endorsed the national goal of a high quality, high equity education system and have a long history of collaborating on reforms to pursue this goal. Recurrent funding is distributed on a needs based model taking into consideration the Capacity to Contribute (CTC) of respective schools in the system based on their respective Direct Measure of Income (DMI) scores derived from parental incomes. Apart from the two schools that don't have a DMI score the average CTC across the other schools would be approximately 10%. All schools are entitled to a base amount of funding for every student with students and schools requiring extra support attracting additional loadings. The base amount and most loadings are determined by reference to the School Resource Standard (SRS) funding amount.

### **Schooling Resource Standard (SRS)**

The SRS is an estimate of how much total public funding a school needs to meet its students' educational needs. The Department of Education calculates an SRS for each school every year by adding the base amount and loadings as calculated and then indexed each year.

The base amount for the funding is approximately \$13,570 per student in CEWF. This base amount is then reduced by the school's Capacity to Contribute (CTC) which for CEWF schools is approximately \$1,495 per primary student. The resultant net base amount is approximately \$12,070 per primary student in CEWF schools.

The base amount is then supplemented by "loadings", as outlined below, which provide additional amounts that assist cover the needs of student priority cohorts and disadvantaged schools. These loadings are not affected by the CTC.

## **Capacity to Contribute (CTC)**

Capacity to Contribute (CTC) reduces the SRS base amount for most non-government schools. CTC is a measure of the capacity of the parents and guardians of students at a non-government school to contribute financially to the operating costs of the school relative to the capacity at other non-government schools.

The CTC reduction does not apply to the SRS loadings, or to the SRS for government schools, special schools, special assistance schools, majority Aboriginal and Torres Strait Islander schools and sole provider schools. The size of the CTC reduction depends on the school's CTC score, which is calculated by the Department of Education each year.

The CTC reduction ranges from 10 per cent of the SRS base amount for non-government schools with the lowest capacity to contribute to 80 per cent for non-government schools with the highest capacity to contribute.

## **Schooling Resource Standard (SRS) Indexation Factor**

The SRS base amount and loadings are indexed each year to reflect changes in prices and, therefore, the costs faced by schools. The SRS indexation factor for a year is the higher of 3% or a factor calculated by the Department of Education each year from movements in the Wage Price Index and Consumer Price Index published by the ABS.

This approach provides certainty for schools with a minimum increase in the SRS base amount and loadings each year, as well as ensuring funding keeps up with changes in wages and other costs. The final SRS indexation factor for 2024 is 4.0 per cent. The indexation rate for 2025 is expected to be available after 12 August 2025.

The loadings provide extra funding for student priority cohorts and disadvantaged school viz:

Student based loadings:

1. *Students with Disability (SWD)*
2. *Aboriginal & Torres Strait Islander (ATSI)*
3. *Socio-educational Disadvantage (SED)*
4. *Low English Proficiency (LEP)*

School based loadings:

5. *School location*
6. *School Size*

Given the nature of our schools and student cohorts CEWF qualifies for all loadings with a distribution of recurrent funding at approximately:

- Base 50%
- Loadings 50%

### **Additional Needs Funding–Students with Disability Loading (SWD)**

This loading provides extra funding, in addition to the SRS base amount, for students with disability. Students attracting the funding under this loading might also attract funding under other SRS loadings. The loading amount for a school depends on the numbers of students receiving additional support in the classroom to enable them to participate fully in school, and the level of that additional support.

The loading calculation uses information reported in the Nationally Consistent Collection of Data on School Students with Disability (NCCD). This information is provided by teachers and other classroom professionals who use their professional, evidence-based judgement to indicate the level of additional support a student is provided in the classroom. Students who require the top 3 levels of additional support, known as extensive, substantial and supplementary, attract additional funding through the students with disability loading.

The NCCD captures a fourth level of support defined as “support provided within quality differentiated teaching practice”. This is support provided within the classroom as part of standard teaching practice which is responsive to the needs of all students and delivered without the need for additional funding.

The SWD loading is directed into the additional needs funding budget. The funds are then used to distribute to schools on the basis of measured needs of students under schools’ inclusion support programs underpinned by the NCCD. Funding is also provided to the Catholic Education Office to operate the Inclusion Support Services area.

The 2024 SWD Loading by NCCD level of adjustment is expressed as a percentage of the SRS base amount:

- Supplementary 42%
- Substantial 146%
- Extensive 312%.

The total 2025 SWD funding that CEWF schools are forecast to attract is \$3.4m.

### **Aboriginal and Torres Strait Islander Loading (ATSI)**

This loading provides extra funding, in addition to the SRS base amount, for each Aboriginal and Torres Strait Islander student. Students attracting the funding under this loading might also attract funding under other SRS loadings.

The amount of extra funding for each student increases as the proportion of First Nations students attending the school increases. Notionally, CEWF has approximately 23% of students identifying as Indigenous with the attracted funding directed into the ATSI funding budget. The funds are then distributed to schools to assist Indigenous education programs throughout the school system as per the ATSI budget.

The total 2025 ATSI funding that CEWF schools are forecast to attract is \$3.0m

### **Socio-educational Disadvantage Loading (SED)**

This loading provides extra funding, in addition to the SRS base amount, for each student from a socio-educationally disadvantaged background. Students attracting the funding under this loading might also attract funding under other SRS loadings.

The loading amount is based on the percentage of students in the lowest 2 quartiles of socio-educational advantage (SEA) developed by the Australian Curriculum, Assessment and Reporting Authority (ACARA). The SEA measures the occupational and educational status of students' parents by looking at factors like occupation, completed school education and highest level of post-school Education.

The greater the percentage of a school's students in each of the bottom 2 quartiles of the SEA, the higher the loading, up to a maximum of 50 per cent of the SRS funding amount for Quartile 1 and 37.5 per cent for Quartile 2.

The total 2025 SED funding that CEWF schools are forecast to attract is \$4.1m

### **Low English Language Proficiency Loading (LEP)**

This loading provides extra funding, in addition to the SRS base amount, for students from a language other than English where at least one parent has completed school education only to Year 9 (or equivalent) or below. This may include recently settled migrants and refugees. Students attracting the funding under this loading might also attract funding under other SRS loadings.

The loading is 10 per cent of the SRS funding amount and is calculated using data provided by ACARA.

The total 2025 LEP funding that CEWF schools are forecast to attract is \$1,300

### **School Size Loading (Size)**

This loading provides extra funding for medium, small and very small schools. It recognises smaller schools cannot achieve the same efficiencies of scale as a large school. This is the only loading that is calculated as a set dollar amount (rather than as a proportion of the SRS funding amount).

Primary schools with up to 300 students and secondary schools with up to 700 students attract a size loading. The size loading is scaled:

- Primary schools with between 15 and 200 students attract the maximum loading. This is \$214,005 in 2024.
- Secondary schools with between 100 and 500 students attract the maximum loading. This is \$342,411 in 2024.

The total 2025 Size funding that CEWF schools are forecast to attract is \$3.9m

### **School Location Loading (LOC)**

This loading provides extra funding for schools in regional and remote locations. It recognises it generally costs more to educate students in regional and remote schools than in city-based schools. Students attracting the funding under this loading might also attract funding under other SRS loadings.

The loading is based on a school's Accessibility/Remoteness Index of Australia (ARIA) score, a measure of the remoteness or accessibility of every location in Australia, as a percentage of the SRS funding amount and the school's size loading.

The total 2025 LOC funding that CEWF schools are forecast to attract is \$4.1m

### **Funding Summary for 2025**

Based on student enrolments for CEWF schools of 1675 the total recurrent funding available to the CEWF system of schools is:

Net Base amount		\$21,400,000
Loadings		
SWD	\$3,370,000	
ATSI	\$3,050,000	
SED	\$4,120,000	
LEP	\$1,300	
Size	\$3,890,000	
LOC	\$7,640,000	
		\$22,070,000
<b>Total Recurrent Funding available</b>		<b>\$43,470,000</b>

## **Distribution of funds within the Wilcannia-Forbes system**

CEWF operates a Catholic Education Office (CEO), that is responsible for the administration and operation of the schools within the Wilcannia-Forbes Diocese. The CEO allows for a closer level of understanding of the needs of each school community. The CEO is able to use its local knowledge of the schools to balance the needs of its student population within the Diocese and determine the appropriate deployment of resources to each school.

Note that the term “deploy” is sometimes used, rather than “distribute” or “allocate”, because the Diocese typically spends the funds centrally on behalf of and for the benefit of schools. A key example of this is teachers’ salaries. Payroll is managed centrally by the CEO for all staff. Teachers’ wages are paid directly by the CEO. Other forms of deployment include paying directly for other operational costs such as insurance and IT systems. CEWF internally allocates SWD and ATSI grant funding received to individual schools based on NCCD collection data and ATSI enrolments. The schools are required to assess their students’ needs and utilise the funding to address the particular needs of their students.

Deploying school system funds according to need is primarily concerned with the allocation of staff to schools. In the first instance, CEWF uses a set of guidelines incorporating various staffing formulas to assist in this allocation process. These initial staffing allocations are typically refined by an expert group of educators who consider a school’s particular circumstances and needs and adjust the original allocation appropriately.

### **Key Expenditure Areas**

CEWF’s income is used to support four main expenditure areas.

#### **1. Staffing In Schools**

CEWF employs over 440 teachers and support staff across its 18 schools. The principals, teachers and support staff in each school deliver a complete school curriculum and support students with varying degree of needs. School staffing expenses are largely determined by the Enterprise Agreement covering teachers and general employees in Catholic systemic schools in NSW and the ACT.

In 2025, CEWF expects to spend approximately \$23.5 million on base school staffing costs. Additional salary costs are incurred as part of a number of other programs.

#### **2. School Operating Costs**

School based operating budgets cover a diverse set of costs involved with the running, maintenance and operation of schools. These costs include sporting activities, facility maintenance, local council charges, water, and electricity.

In 2025, CEWF expects to spend approximately \$2.6 million on school operating expenses.

### **3. School Program Costs**

Considerable cost is also incurred to implement supplementary school programs that target identified learning needs, provide extension opportunities, support disadvantaged students and foster wellbeing and catholic identity across the school community. Whilst some of these programs may be driven by government and other requirements, many of these programs are unique to CEWF and are provided through teaching and learning initiatives to help provide a rich educational experience for students.

In 2025, CEWF expects to spend approximately \$9.5 million on school focused programs.

### **4. Central Operating Costs**

Central operating costs includes salaries for CEO staff, finance, system wide technology, compliance,, human resources, child protection, insurances and administrative costs.

In 2025, CEWF expects to spend approximately \$7.5 million on central operating expenses.

In summary:

- The CEO will review total forecast income from all sources (primarily government general recurrent grants) ahead of the school year and determine how these funds will be deployed across all schools, taking into account the needs-based requirements under the legislation.
- The CEO employs education policy personnel, funding policy personnel and other school teaching and learning experts to help make these assessments.
- The CEO has the flexibility to develop and tailor their funding arrangements to suit the needs profile of their schools and students.