

# PROJECT AGREEMENT FOR INDEPENDENT PUBLIC SCHOOLS INITIATIVE

An agreement between:

- n the Commonwealth of Australia; and
- n the State of South Australia.

This project will increase the autonomy of government schools in South Australia.

# Project Agreement for Independent Public Schools Initiative

## PRELIMINARIES

1. This Project Agreement (the Agreement) is created subject to the provisions of the Intergovernmental Agreement on Federal Financial Relations (IGA FFR) and should be read in conjunction with that Agreement and its Schedules, which provide information in relation to performance reporting and payment arrangements under the IGA FFR.
2. This Agreement will support the increased autonomy in some 1,500 government schools across Australia including through greater engagement of parents and local communities in school decision making and the provision of professional development for principals, school leaders and school communities through:
  - (a) focus on local governance;
  - (b) increased accountability to the local community;
  - (c) the use of streamlined or one-line budgets;
  - (d) local management of school facilities; and
  - (e) increased delegation over staffing for school principals.
3. This Agreement, including its Schedule, constitutes the entire agreement for this project.

## PART 1 – FORMALITIES

### Parties to this Agreement

4. This Agreement is between the Commonwealth of Australia (the Commonwealth) and the State of South Australia.

### Term of the Agreement

5. This Agreement will commence as soon as the Commonwealth and the State of South Australia sign the Agreement and will expire on 30 June 2017 or on completion of the project, including final performance reporting and processing of final payments, unless terminated earlier or extended as agreed in writing by the Parties.

## PART 2 – PROJECT OUTPUTS

6. The outputs of this Agreement are activities to assist government schools in transitioning to greater independence.
7. The specific outputs to be achieved by the State of South Australia are described in the Independent Public Schools Implementation Proposal at Schedule 1 of this Agreement.

## PART 3 – ROLES AND RESPONSIBILITIES OF EACH PARTY

### Role of the Commonwealth

8. The Commonwealth will be responsible for:
  - (a) monitoring and assessing the achievements of the State of South Australia against its Implementation Proposal in the delivery of the Independent Public Schools Initiative

under this Agreement to ensure that outputs are delivered within the agreed timeframe;  
and

- (b) providing a financial contribution to the State of South Australia to support the implementation of this Agreement.

## Role of the State of South Australia

- 9. South Australia will be responsible for:
  - (a) all aspects of delivering on the project outputs set out in this Agreement; and
  - (b) reporting on the delivery of outputs as set out in Part 4 – Performance Requirements, Reporting and Payments.

## Shared roles

- 10. Both Parties will meet the requirements of Schedule E, Clause 26 of the IGA FFR, by ensuring that prior agreement is reached on the nature and content of any events, announcements, promotional material or publicity relating to activities under this Agreement, and that the roles of both Parties will be acknowledged and recognised appropriately.

## PART 4 – PERFORMANCE REQUIREMENTS, REPORTING AND PAYMENTS

- 11. Table 1 summarises the performance requirements for the project, relevant reporting dates and expected payments to be made, subject to the annual performance report demonstrating that the milestones have been met.

Table 1: Milestones, reporting and payment summary

Outputs	Milestones	Report due	Payment
Increased autonomy in government schools in accordance with clause 7 of this Agreement	Agreement to Implementation Proposal	n/a	\$0.79m
	Achievement of scheduled progress against the agreed Project Implementation Proposal	30 April 2015 covering the 1 July 2014 to 31 March 2015 period	\$1.58m
	Achievement of scheduled progress against the agreed Project Implementation Proposal	30 April 2016 covering the 1 April 2015 to 31 March 2016 period	\$1.58m
	Achievement of scheduled progress against the agreed Project Implementation Proposal	30 April 2017 covering the 1 April 2016 to 31 March 2017 period	\$1.58m

## Reporting arrangements

12. The State of South Australia will provide the Commonwealth with performance reports in accordance with Table 1 of this Agreement, consistent with the agreed Independent Public Schools Implementation Proposal included at Schedule 1.
13. If all scheduled progress has not been completed by 31 March 2017, then the State of South Australia will also provide the Commonwealth a final performance report within 90 days of the completion of the project, covering achievement of scheduled progress against the Implementation Proposal for the 1 April 2017 to 31 December 2017 period.

## PART 5 – FINANCIAL ARRANGEMENTS

14. The Commonwealth will provide a total financial contribution to the State of South Australia of \$5.53 million in respect of this Agreement. All payments are GST exclusive.
15. The Commonwealth's funding contribution will not be reduced were the State of South Australia to secure funding from other activity partners through innovative and collaborative partnerships.
16. The Commonwealth's financial contribution to the operation of this Agreement, including through National Partnership payments to the State of South Australia paid in accordance with *Schedule D – Payment Arrangements* of the IGA FFR, are shown in Table 2.

Table 2: Estimated financial contributions

(\$ million)	2013-14	2014-15	2015-16	2016-17	Total
Estimated total budget	0.79	1.58	1.58	1.58	5.53
Less estimated National Partnership payments	0.79	1.58	1.58	1.58	5.53
Balance of non-Commonwealth contributions	0.0	0.0	0.0	0.0	0.0

17. Having regard to the agreed estimated costs of the project specified in this Agreement, the State of South Australia will not be required to pay a refund to the Commonwealth if the actual cost of the project is less than the agreed estimated cost of the project. Similarly, the State of South Australia bears all risk should the costs of the project exceed the agreed estimated costs. The Parties acknowledge that this arrangement provides the maximum incentive for the State of South Australia to deliver projects cost effectively and efficiently.

## PART 6 – GOVERNANCE ARRANGEMENTS

### Enforceability of the Agreement

18. The Parties do not intend any of the provisions of this Agreement to be legally enforceable. However, that does not lessen the Parties' commitment to this Agreement.

### Variation of the Agreement

19. The Agreement may be amended at any time by agreement in writing by both the Parties.
20. Either Party to the Agreement may terminate their participation in the Agreement at any time by notifying the other Party in writing.

### Delegations

21. The Commonwealth Minister for Education and Training may delegate the assessment of performance against the Project Implementation Proposal and the authorisation of related project payments to senior Commonwealth officials, having regard to the financial and policy risks associated with those payments.

### Dispute resolution

22. Either Party may give notice to the other Party of a dispute under this Agreement.
23. Officials of both Parties will attempt to resolve any dispute in the first instance.
24. If a dispute cannot be resolved by officials, it may be escalated to the relevant Ministers.

The Parties have confirmed their commitment to this agreement as follows:

***Signed for and on behalf of the Commonwealth  
of Australia by***

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Senator the Hon Simon Birmingham  
Minister for Education and Training

Date:

***Signed for and on behalf of the  
State of South Australia by***

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The Honourable Susan Close MP  
Minister for Education and Child Development

Date:

The Parties have confirmed their commitment to this agreement as follows:


*Signed for and on behalf of the Commonwealth  
of Australia by*

A handwritten signature in blue ink, appearing to read 'Simon Birmingham', written over a horizontal line.

**Senator the Hon Simon Birmingham**  
Minister for Education and Training

Date: 19 November 2015.

*Signed for and on behalf of the  
State of South Australia by*

A handwritten signature in blue ink, appearing to read 'Susan Close', written over a horizontal line.

**The Honourable Susan Close MP**  
Minister for Education and Child Development

Date: 8/12/15

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# Schedule 1 – South Australia: Implementation Proposal\*

\* This project will increase the autonomy of government schools in South Australia. It is designed as a capacity building program for public school leaders and communities. It will not establish a model of Independent Public Schools in South Australia.

## 1. Current level of autonomy

South Australian schools currently have a high level of autonomy in comparison to other jurisdictions. The findings of the Gonski Review of School Funding and the 2012 Productivity Commission Inquiry into Schools Workforce reflect the considerable progress made by South Australia towards greater local decision making, including the transition to a more devolved funding model. The Gonski Review noted that South Australia along with Victoria have the most decentralised systems for allocation of funding.

The South Australian school system is a universal system in that the same operating frameworks apply in all schools and preschools based around existing legislation, enterprise agreements and resourcing policies. The initiatives developed under this implementation proposal will aim to enhance the capacity of school leaders to effectively utilise autonomy. Initiatives will initially be targeted towards a number of schools on a needs basis, but all South Australian schools will benefit from opportunities to further develop school autonomy over time, avoiding the establishment of a two-tiered system.

All schools and preschools in South Australia currently operate under the guidance of a school or governing council. Governing Councils have joint responsibility with the school leadership team to:

- set broad direction and vision through strategic planning and monitoring and review of the Site Improvement Plan
- determine the application of the total financial resources available to the school including the regular review of the budget with the Principal
- provide a focus and forum for involvement of parents and the school community
- endorse the annual school report
- participate in the selection of a new principal where there is a vacancy

Governing Councils also manage and employ non-teaching staff such as canteen managers and Out of School Hours care staff.

Local governance arrangements are guided by the Education Act 1972 and the draft constitution issued by the Minister for Education and Child Development. An independent review of public school and preschool governance is currently underway and is expected to be completed later this year. The review will provide a clear outline of what constitutes best practice school and preschool governance in South Australia. One aspect of local governance that the review has been tasked with examining is how to effectively represent and engage with parents of a school and the wider school community in the best interests of children, families and the wider school community.

Further information including terms of reference for the review is available at: <http://www.edlawreform.sa.gov.au/pages/default/47426/>

In the area of staffing, DECD has undertaken significant policy reform since 2011 to support the autonomy of public school leaders to select the majority of their staff to meet local school and community needs, and to streamline performance and development of school staff including the management of unsatisfactory performance.

The recruitment policy means that a majority of teaching staff remain within a school until they apply for



another position. A small degree of central placement of permanent teaching staff (around 150 - 250 from a pool of over 13,800 teaching staff) occurs as a result of staff finishing a leadership tenure, country to metropolitan service guarantees and placement of scholarship and targeted graduate placements each year.

Prior to 2011, a centralised transfer and placement policy approach, as well as a more rigid and lengthy process for resolving unsatisfactory performance, had an unintended policy outcome of moving underperforming teachers across the system.

When the new policies were introduced in 2011, additional consultancy resources were provided to build capacity and support school leaders in managing unsatisfactory performance and incapacity. However school leaders consistently raise process issues in relation to time, skills and confidence, independence and objectivity, and preparing documentation with the evidence standards to meet employment law requirements.

## 2. Element/s of autonomy to be targeted in this initiative and the implementation proposal

### Performance management initiative

This initiative will focus on the objective 'increased delegation over staffing for school principals' and aims to build on local autonomy policy reforms by further developing school leadership capability and capacity in managing unsatisfactory performance.

Activity will include the research and development of a time-limited process for managing unsatisfactory performance. It is intended that this process would address the current challenges faced by school leaders, allowing principals to manage unsatisfactory performance within reasonable timeframes and required standards. This process will apply to all government schools in South Australia from 2014-15.

In addition, performance management specialists will be appointed to work with principals and other members of school leadership teams in an intensive coaching role. These specialists will ensure a focus on early recognition and intervention as well as developing the capability of leaders in the application of the newly developed process. The coaching process would then be piloted in 15 ECD Local Partnerships in 2015-16 and 2016-17 following a needs-based selection process.

The anticipated change impact will be the increase in the timely resolution of incapacity and/or unsatisfactory performance and a corresponding improvement in teacher performance over time. It is anticipated that there will be an initial increase in terminations under the Education Act. Following the successful completion of the pilot initiative the process would be rolled out across the system.

Preparatory activity to be undertaken in 2014 includes:

- Establishment of a steering committee including serving teachers and principals and key stakeholders from industry and professional associations
- Recruitment and selection of project management staff to commence the development of options for the pilot program.
- Development of measures for evaluation.

(\* Commencing in 2014 South Australian public schools and preschools moved from a regional model of service delivery to one comprising ECD (Education and Child Development) Local Partnerships. This model provides for collective responsibility within and across sites for improved outcomes for children and young people. There are 60 local partnerships across South Australia)

### Parental engagement initiative

Activities under this initiative will be based on the outcomes and findings of the South Australian 2014 review of public school and preschool local governance. . These activities will align with the objective 'focus on local governance' by building the capacity of governing councils to encourage greater parental involvement in children's learning.

The current functions of governing councils include a requirement for the council to involve the school community in the governance of the school by ascertaining the educational needs of the local community and the attitude of the local community to educational developments within the school. Activities under this initiative align with the Australian Government's intention to support decision making at a local level

with parents and members of the school community to improve education outcomes.

Funding will be utilised to develop a week-long series of events to provide a focus for school communities on parental engagement. This would be followed by the development of a targeted training package for governing councils on local strategies for increasing parental engagement. This training package would recognise Australian Government funding allocation and could complement any state-funded training package developed for governing councils in response to the outcomes of the review.

Further advice on the implementation activities to be undertaken as part of this initiative will be provided in the first annual report to the Australian Government. These implementation activities will form the basis for future reporting.

### 3. Changes to existing practices to increase autonomy

The performance management initiative will enhance the confidence and capability of site leaders to use their existing autonomy to manage unsatisfactory performance.

A new process for managing unsatisfactory performance that supports the accountability of principals will be developed and piloted.

Central office will appoint a coordinator and specialist performance management staff for the duration of the pilot program. The initial expenditure is expected to result in an improved process and increased capacity at the site level with a corresponding future decrease in requests for assistance from central office.

School leaders will be supported to develop skills and expertise in implementing the performance management process for staff whose performance is unsatisfactory. Over the course of the pilot program schools will be expected to demonstrate increased independence in undertaking the performance management processes through to a final outcome.

It is anticipated that the training program developed following the review of local governance will have a similar focus in enhancing the capacity of governing councils to utilise their local authority to support the engagement of parents and the wider school community in children's learning.

Under the Local Partnerships service model, schools are encouraged to share learning and expertise across sites in the partnership to build the skills and abilities of leaders and teachers.

### 4. Number of schools targeted for participation in the initiative

#### Performance Management Initiative

<i>Cohort</i>	<i>Year of Operation</i>	<i>Number of schools</i>
<i>1</i>	<i>2014</i>	<i>n/a – the focus in 2014 is on a performance management coaching process which is to be piloted in selected schools in 2015 and the development of a time-limited process for management of unsatisfactory performance which will be available in all public schools from 2015.</i>
<i>2</i>	<i>2015</i>	<i>Five Local Partnerships (capturing on average 12-15 schools and preschools)</i>
<i>3</i>	<i>2016</i>	<i>Five Local Partnerships</i>
<i>4</i>	<i>2017</i>	<i>Five Local Partnerships</i>
<i>Total</i>		<i>15 Local Partnerships (approximately 180-225 schools and preschools)</i>

Confirmation of the exact number of schools to benefit from the initiative will be possible following the outcome of an EOI process and will be communicated in the annual report.

Parental engagement initiative

<i>Cohort</i>	<i>Year of Operation</i>	<i>Number of schools</i>
1	2014	<i>n/a – The Parental Engagement activity is based on the findings and outcomes of the South Australian 2014 review of public school and preschool local governance</i>
2	2015	<i>Participation in the parental engagement events will be open to all public schools (528)</i>
3	2016	<i>Five Local Partnerships (capturing on average 12-15 schools and preschools) to participate in round one of the training package</i>
4	2017	<i>Ten more Local Partnerships to participate in parental engagement training</i>
<i>Total</i>		<i>15 Local Partnerships (approximately 180-225 schools and preschools) to participate in the training package</i>

Details regarding the implementation of this phase of activity including confirmation of the exact number of schools to benefit from the initiative will be communicated in the annual report.

#### 5. School selection criteria

South Australia has 528 public schools. These schools each operate within one of 60 ECD Local Partnerships.

The Department for Education and Child Development will call for expressions of interest from Local Partnerships to participate in the phase one pilot program. The selection process will provide for representation of Local Partnerships from across metropolitan, regional and remote locations. Local Partnerships will be required to demonstrate the level of need within sites and how expertise developed during the program will be shared across the partnership on an ongoing basis.

Under this Agreement, South Australia will not be required to badge any school as an Independent Public School or similar.

#### 6. Implementation activities

##### Funding

2013/14	2014/15	2015/16	2016/17	TOTAL
\$790,000	\$1,580,000	\$1,580,000	\$1,580,000	\$5,530,000

##### Performance management initiative

Initial funding will be used to undertake research and development of a new process for managing unsatisfactory performance.

From 2015-2016 the commencement of the pilot program will require the appointment of a coordinator and specialist staff to be based in schools. Funding will support on-site training and development for leadership teams of participating schools.

##### Parental engagement initiative

Funding will be used for the coordination of events that focus the attention of school communities on parental engagement, plus the development and implementation of a training package.

<i>Reporting period</i>	<i>Implementation Activities</i>
1 July 2014 to 31 March 2015	Research and develop a time-limited process for management of unsatisfactory performance for all South Australian public schools.

	<p>Commence implementation of ongoing time-limited process for management of unsatisfactory performance.</p> <p>Commence recruitment process for specialist performance management staff to work directly with schools as part of the pilot program</p> <p>Commence planning for the parental engagement initiative based on the outcomes of the review of school and preschool governance</p> <p>Commence development of parental engagement training package</p>
1 April 2015 to 31 March 2016	<p>Complete expression of interest process for participation in the pilot program</p> <p>Commence pilot program (staggered commencement across the 15 participating ECD local partnerships)</p> <p>Complete week long parental engagement event</p> <p>Complete arrangements for delivery of parental engagement training package</p> <p>Commence delivery of first round of parental engagement training package</p>
1 April 2016 to 31 March 2017	<p>Continue pilot program in participating ECD local partnerships</p> <p>Review first round of parental engagement training package</p> <p>Continue parental engagement training</p>
1 April 2017 to 31 December 2017	<p>Pilot program completed</p> <p>Parental engagement initiative completed</p> <p>Complete Evaluation</p>

## 7. Evidence of impact

Annual reporting to the Australian Government will include the number of schools participating in each initiative for each reporting period with the total number of schools captured by each initiative included in the final report.

Annual reporting will include notification of the status (complete/incomplete/in progress) of implementation activities for each reporting period as listed above. The first annual report will also include advice on the implementation activities that will be reported on for the parental engagement initiative.

The final reporting for the performance management initiative will include data on the number of performance management processes commenced and completed under the initiative.

The evaluation of the performance management initiative will include a survey of the levels of knowledge, confidence and skills of school leaders in undertaking performance management processes with under-performing staff before and after participation in the performance management initiative.

The approach to evaluation of the parental engagement initiative will be included in the first annual report along with the advice on implementation activities for this initiative.