

Division 30: Education Services, \$352 262 000 —

Mr J.M. Francis, Chairman.

Dr E. Constable, Minister for Education.

Mr R. Strickland, Chief Executive Officer.

Mr B. Parkin, Executive Director, Corporate Governance and Non-Government Schools.

Mr R. Willis, Chief Finance Manager.

Mr T. Werner, Director, Higher Education and Legislative Review.

Mr M. Brown, Director, Education and Training Regulation.

[Witnesses introduced.]

Mrs M.H. ROBERTS: I refer to “Establishment of an Independent Standards Function for Independent Public Schools” under “Major Spending Changes” page 371 of the *Budget Statements*. I note that there is also a line item for this in the budget for the Department of the Premier and Cabinet. Obviously the DPC has a functional role. Perhaps the minister can explain how that interlinks with what is being done in the Department of Education Services. Why can independent schools not be audited and assessed educationally, financially and in other ways by the Department of Education? What is the \$601 000 being spent on specifically? Is there a staffing component to it? Is this a one-off cost? I have a couple of other questions relating to independent schools about this process but that depends on the minister’s response to those questions.

Dr E. CONSTABLE: The member has asked a very important question. It is considered very important to make a distinction between the provider and the regulator. We are setting up a standards function for independent public schools, and this is seed funding for that function. Over the next year, \$600 000 will be used to set in train a method of regulating, assessing and setting the standards for the independent public schools. The Department of Education Services has enormous experience in this field with non-government schools, as the member would understand. It is the ideal place to place a standards function for independent government public schools. This is the first step in establishing that standards function. Similar discussions are being held across the country relating to kindergartens and preschooling. The principle of separating the provider and the regulator is very important when setting any of these types of things. I applaud what has been happening. I will ask Mr Strickland to answer in more detail about the staffing and so on.

Mr R. Strickland: The department currently inspects non-government schools. We use people who have had experience in public and non-government schools to do that work. These consultants will be used to conduct the reviews of the new public independent schools. We expect that the schools and the boards will find working with these consultants to be supportive and informative for both them and the school community. The strategy will focus on determining the likely success of the flexibilities in meeting the goals for independent public schools and identifying any areas requiring consideration for change to improve flexibility and autonomy. Equally, the feedback gathered through this project will assist in determining the further support provision for all independent public schools, including those that are selected for the second round and are preparing for implementation in 2011. Apart from monitoring the work of the independent public schools in 2010 and 2011, the Department of Education Services will conduct an independent performance review of the delivery and performance agreement of all the independent public schools in 2012. The review process will be based on that currently used in the registration of all independent schools in Western Australia. Obviously, it will be customised for differences. In 2010, the budget allocation of \$601 000 will be used to employ staff to manage and administer the monitoring of the review process and to meet the expenses of the team of consultants working with the independent public schools during 2010 and the new schools commencing in 2011.

Mrs M.H. ROBERTS: I appreciate the detail of that answer, which was very good. I now need to know, because of that answer, why it is funded only this year. Why is there no funding in the out years, given that it has required staff to be allocated to positions? In the out years, will the minister go back and ask for money even though there is none in the forward estimates, or will the cost be absorbed into the overall function of the department? It was mentioned that the accountability for non-government schools needed to be strengthened and that an audit process is required. Have there been any particular concerns or any breaches; and, if so, could the minister provide details?

[12.30 pm]

Dr E. CONSTABLE: With regard to the independent public schools, I think the term I used earlier was “seed funding”. This will be partly a scoping exercise in the next 12 months to ascertain the extent of the task. Once that scoping has been done and we understand the extent of the task with the independent public schools, I will be going back to cabinet for the budget for this issue.

The member's other question related to strengthening accountability in non-government schools. I think that refers to the fact that this year, for the first time—I signed these agreements recently—there is a written agreement with each independent non-government school. This is the first time that, when we have handed funds over to non-government schools, there has been a written agreement. There is some auditing attached to that. I think. Mr Strickland will give the member some further advice on that.

Mr R. Strickland: We have introduced a comprehensive program to check what the schools are reporting in their census. Our attention was drawn to the need to beef up what we are doing, particularly with the problems that we have experienced with the Australian Islamic College. The events there demonstrate that the existing accountability measures —

Mrs M.H. ROBERTS: Is the Australian Islamic College the only school that you have had accountability problems with?

Mr R. Strickland: That is the only one that we were aware of at that time, where there were allegations of fraud et cetera.

Dr E. CONSTABLE: That of course has been before the courts quite recently.

Mr R. Strickland: The checking that we are now doing—we have done 45 schools over the past six or seven months—has revealed, on average, an overstatement of two students per school. If that is pretty representative of all schools—as it would seem to be—this process will probably save something like \$2 million a year in the per capita grants over time as people become more aware of what their responsibilities are and as we check and get the figures changed to what they should be.

Dr E. CONSTABLE: I do not think there is any suggestion of a deliberate misstating by one or two students. I think that careful auditing has revealed this.

Mrs M.H. ROBERTS: This audit process is obviously costing a considerable amount of money. I had been contemplating asking the minister—the minister might answer it anyway—whether there is any intention of any action by the agency to recover those costs from the non-government sector, or is it just that because of the greater audit function, the agency will be making that saving of \$2 million that Mr Strickland suggested?

Mr R. Strickland: Basically, yes. The \$760 000 that we are spending on that audit is considerably less than what our expected savings will be. But also it will be an assurance for government that schools are accountable for the funding that they are claiming. So it is pretty important. If we do not do that, it will be very hard to manage prosecutions and whatever should there ever be another case like the Australian Islamic College.

Mrs M.H. ROBERTS: Can the minister assure the non-government schools that they will not have any costs passed on to them as part of this process?

Dr E. CONSTABLE: There is no intention of passing on any costs. The intention is to tighten the system so that it is as accurate as it can possibly be.

The CHAIRMAN: The member for Southern River.

Mrs M.H. ROBERTS: I just signal, Mr Chairman, that I am happy to move on to Curriculum Council as soon as other members of the committee are ready to do so.

The CHAIRMAN: I also have the member for Armadale on the list for this division. I will give the member for Southern River the call first.

Mr P. ABETZ: The question that I was going to ask has been pretty much covered. This is, therefore, perhaps a supplementary question rather than a completely new one. Is it the grant auditing program that is being addressed here, or is it more the public independent school monitoring and auditing? Are they two separate programs?

Dr E. CONSTABLE: Yes, member; they are two separate programs. The most recent comments that have been made were about the grant auditing program, which is a new initiative.

Mr P. ABETZ: For the public independent schools, what is the auditing process, and how will that work?

Dr E. CONSTABLE: The work with the independent public schools is in its infancy. I will ask Mr Strickland to give the member some early thoughts on where that is going.

Mr R. Strickland: Basically, we will be customising from the model that we already use for the non-government schools. We basically have a set of standards, and we go out and check those standards, which are things like the governance of the school, the financial viability of the school, the student outcomes that are being achieved, whether the school has policies and processes in place, whether there is whole-of-school planning, and whether the staff are qualified et cetera. There is a set of standards that we currently use for the non-government

schools—it is on our department’s website—and we are adapting those so that they will fit the public school system.

Ms A.J.G. MacTIERNAN: I refer to page 372. The second dot point under the heading “Significant Issues Impacting the Agency” talks about a significant increase in demand for the department’s legislative and policy services caused by national agreements; and it then articulates some of those national agreements. What is the department’s role in the implementation of the National Partnership Agreement on Early Childhood Education?

Dr E. CONSTABLE: I will ask Mr Strickland to answer that question.

Mr R. Strickland: At this stage, the role of the department is to look at the legislative aspects, because we manage most of the legislative issues in the minister’s education portfolio to do with reviewing legislation, advising the minister on amendments that are needed, and dealing with parliamentary counsel. We are currently looking at the sorts of issues that are associated with the changes that are in the COAG agreement.

Ms A.J.G. MacTIERNAN: It says that the department provides policy services. What policy services does the department provide?

Mr R. Strickland: Those services are in relation to, basically, the legislation for early childhood education. We also, as part of our role in regulating the non-government schools, regulate kindergartens in the independent schools.

The appropriation was recommended.

[12.40 pm]