# EDUCATION AND HEALTH STANDING COMMITTEE

## INQUIRY INTO THE DEPARTMENT OF EDUCATION'S INDEPENDENT PUBLIC SCHOOLS INITIATIVE

**TRANSCRIPT OF EVIDENCE**
**TAKEN AT PERTH**
**WEDNESDAY, 18 MAY 2016**

**Members**

**Dr G.G. Jacobs (Chair)**
**Ms R. Saffioti (Deputy Chair)**
**Mr R.F. Johnson**
**Ms J.M. Freeman**
**Mr M.J. Cowper**

**Hearing commenced at 10.06 am**

**Ms SHARYN O'NEILL**
**Director General, Department of Education, examined:**

**Mr LINDSAY HALE**
**Executive Director, Statewide Services, Department of Education, examined:**

**Mr CLIFF GILLAM**
**Executive Director, Workforce, Department of Education, examined:**

**Mr DAVID PRICE**
**Director, School Improvement and Support Unit, Department of Education, examined:**

**Mr PETER TITMANIS**
**Executive Director, Innovation, Performance and Research, Department of Education, examined:**

**The CHAIR**: On behalf of the Education and Health Standing Committee, I would like to thank you all for your appearance today. The purpose of this hearing is for the inquiry into independent public schools. Graham Jacobs is my name and I am the chair. On my left is Rita Saffioti, on her left is Murray Cowper and on his left is Rob Johnson. On my right is Alison, Catie, Alice and Hansard, who will be recording this because it is actually a public hearing. The committee is a committee of the Legislative Assembly of the Parliament of Western Australia. This hearing is a formal proceeding of Parliament and therefore commands the same respect given to proceedings in the house itself. Even though the committee is not asking you as witnesses to provide evidence on oath or affirmation, it is important that you understand that any deliberate or misleading of the committee may be regarded as a contempt of Parliament. As I said, this is a public hearing and Hansard will be making a transcript of the proceedings, which you will receive, and it will also be put on the public record. If you refer to any documents during your evidence, it would assist Hansard if you could provide the full title for the record.

Before we commence—forgive me—there are a number of procedural questions I need you to answer. Have you each completed the "Details of Witness" form?

**The Witnesses**: Yes.

**The CHAIR**: Do you understand the notes at the bottom of the form about giving evidence to a parliamentary committee?

**The Witnesses**: Yes.

**The CHAIR**: Did you each receive and read an information for witnesses sheet provided with the "Details of Witness" form today?

**The Witnesses**: Yes.

**The CHAIR**: Thank you. Sharyn, you may wish to make an opening statement and give us a bit of an overview on IPS before we launch into some of the questions perhaps.

[10.10 am]

**Ms O'Neill**: Sure, I am happy to. From the department's perspective, the independent public schools initiative remains a critical part of our reform agenda. We have 445 schools currently in the

program with another 50 in a development program for potential selection—or we have more schools in the development program but we will be selecting up to 50 out of that. That would make a total of 495 out of a potential 800 sites that we have. Independent public schools as an initiative is a school improvement initiative, so schools are given some flexibility to have more control over aspects of their management and planning and working with their community in order to do that. Clearly, from our perspective, the initiative was about giving schools the capacity to make decisions that impact on the conditions around teaching, so teacher quality. It is clear in the—well, it is not clear. The research is in some ways agnostic. You can find research either way about a direct correlation with greater autonomy and student outcomes. As an initiative, we have never claimed a direct correlation, but we do claim the focus of the work is empowering schools to be able to set the conditions for improved teacher quality, which is singularly the number one lever to impact on student outcomes outside of socioeconomic status. There is a lot of discussion around direct correlation in the research to outcomes. As a reform and cultural change initiative, it has been very successful. Unlike other states or unlike other places around the world, our initiative was based on choice. People choose to participate and to put their name forward for selection, and then there are criteria that the schools need to be able to demonstrate before they are chosen into the program. There are probably a range of questions that you might have about it but, from our perspective, it remains a very successful change initiative in schools. There has been no school, no staff member and no principal that has wanted to revert to the previous arrangements. There remains very strong support for independent public schools within not only the schools, but also the communities they serve. There has been a lot of national interest in the initiative. In fact, a couple of years ago the national initiative was based on aspects of our own initiative here in Western Australia. We have made minor adaptions as we have gone along based on feedback and the growth of a new initiative, but as I meet with all of the principals involved, they continue to provide resounding support for the program in its total. Probably I can leave that opening comment there and respond to questions as they arise.

**The CHAIR**: And maybe, Sharyn, I could just talk around the objectives of the IPS initiative. You mentioned about empowering school communities and affording them greater responsibility for their own affairs. In the submission that you provided to us—and thank you very much for that—there was a capacity to shape the ethos priorities and direction of their schools. We are just concerned with where the student achievement component of that objective sits. It has been said in your submission that it is not the only indicator of a successful initiative. Are student outcomes, therefore, a primary driver of this initiative? If they are not, should they not be?

**Ms O'Neill**: Certainly, in all of our work the key driver is student outcomes in their broadest sense, both specific academic outcomes but also, and of great importance, social and emotional developmental outcomes, because we are responsible for influencing and leading in the whole range. If I just step back for a moment, our ultimate objective in all of our work is improvement of student outcomes. Greater autonomy for schools—well, public schools will never be autonomous because they are within a system, so they have greater autonomy. If you look at the school effectiveness research, there is a whole range of factors that lead to school improvement, which leads to improved outcomes. One report that I will refer to, because it might be of interest later, has been done by the Centre for Strategic Education. They have got a couple of publications around school autonomy and they also talk about the fact that you cannot claim direct, improved outcomes from one factor alone. The educational research around this is clear. There are always multiple factors that influence the improvement of outcomes. What the research says—and I will get to our own initiative in a moment—is that greater autonomy and control over decision-making is one factor in improving the school, which improves student outcomes and, in particular, teacher quality. With respect to our own initiative, that is why we have been very careful not to mislead and pretend that you give greater autonomy and there is a direct correlation to student outcomes. We have never claimed that and the research do not necessarily support that in full term. What we have claimed—

and the research supports us in this—is that if you give schools greater autonomy, greater flexibility, greater empowerment to them and their school communities, they can build more appropriately the conditions to improve student learning, and the conditions being teacher quality. If I take you back prior to IPS, the situation was that we told schools what staff they had, we chose them for them, we sent them to them and they had no choice in the matter. They had no control over their budget. They were told what they had to spend on what—for the most of it, not for the total of it—and they had very little scope to customise at the local level. So what we expected at Nedlands was what we expected at Kalumburu, for example, so there was very little customisation.

What an empowered school community or a school with greater autonomy has is the capacity to make decisions with its community to customise its program for the children that it serves, which is obviously different for different communities. The IPS initiative says directly to schools, "Yes, of course we expect you to improve outcomes. We expect every school to do that." In their delivery and performance agreement, that is an objective, but it is understood that the autonomy they have is to improve the teacher quality at their school and for their children, such that it influences student outcomes. In our submission, you will see the research does not try to claim that, as a result of IPS, school results or attendance—I think we have given you NAPLAN and some other data there—it does not show in that data that IPS means that schools somehow charge ahead in this time period. I would refer you to the Melbourne University evaluation that says that any change of this scale is going to take more than a short three, five, seven or nine-year cycle to see such a growth in outcomes. The research that I referred to previously says the same thing; it is over a longer timescale than what we would see there, and it needs to have other things in place alongside it, like cultural change in the system, leadership development et cetera.

**The CHAIR**: Sharyn, in your submission you mention that the Department of Education have brought three projects that are commissioned, and one of them was the Department of Education's school autonomy: building the conditions for student success, in October 2015. What does that say around school autonomy and successful student outcomes?

**Ms O'Neill**: The work that was done there looking at—I cannot remember how many schools—20 of our IPS schools looked at what those schools really had done with the greater autonomy that they had been given and what effect that had in those schools, so what contribution was the IPS initiative to their performance, because they are relatively high performing schools? What contribution did that make to those schools? That report, I think, that has been provided to you with our submission outlines some of the common factors that we would find in those schools in terms of how they have used that autonomy and the kind of impact that it has made in the classroom, because historically in the department, there have been change programs that have been more about management and so IPS, very importantly, was always about using the autonomy, not just because you have become more autonomous, but using that autonomy to change the conditions and make the conditions for success in that school the most important factor.

**Ms R. SAFFIOTI**: Can I ask some questions about the autonomy and student outcomes? You are confirming that, after six years, there is no correlation between student outcomes and the IPS changes?

**Ms O'Neill**: What I am confirming is what we set out to do, and that is to give schools the authority to change and improve the conditions for success, we have been successful in that, but at the timescale of impacting student outcomes for any change, IPS or anything else, is not as short as this time period.

[10.20 am]

**Ms R. SAFFIOTI**: So over six years, there is no demonstrative improvement in student outcomes for IPS schools?

**Ms O'Neill**: If you are trying to make the point of that as a single factor, no-one would ever claim that; the research would not claim it. I can say there has not been—remembering that of all of our schools, only 34 have been there for six years, so I think we have just got to be a bit temperate in terms of that analysis.

**Ms R. SAFFIOTI**: Sure. You are saying it is the longer term vision to achieve better outcomes. The biggest criticism is you are creating a two-tier system; you are creating the IPS system and the rest. Is the vision to go full IPS?

**Ms O'Neill**: I will answer that in two parts. We do not accept that we have attempted or indeed created a two-tier system, so I do not accept that premise.

**Ms R. SAFFIOTI**: Can I just interrupt, though? You just said that, for greater autonomy, you expect better student outcomes over the longer term. So, in essence, what you are saying is that you have got to create a two-tier system because autonomy will give you better outcomes in the longer term, so what happens to the rest?

**Ms O'Neill**: In response to that, what I said also was that we expect all schools to improve and have better outcomes. Some will want to use, as one lever, greater autonomy. The second part of your question was about all schools. I think the minister has been quite clear when he said there was never an objective that all schools necessarily become IPS, because we have some schools that will always need a higher level of centralised support by virtue of the fact of their remoteness or there are only two people at the school. We do not want them to spend an enormous amount of time selecting each other. So just for practical reasons we do not, for example, have remote schools. They could choose to be involved, and we would obviously help them and support them through that process, but I think it is understood that we need other change and improvement mechanisms for those schools. In respect to the two-tier system, that criticism, by and large, comes, as I have heard it, around the capacity for people to choose staff. So I reject that criticism because prior to IPS, under both governments, we had a merit selection system where some schools were able to choose and others were not. The basis of that criticism, as I have heard it around staffing, I reject that that is an inherent creation of IPS.

**Ms R. SAFFIOTI**: Just on that point, in your first comments you said that a key part of achieving student outcomes was teacher quality, and the benefit of IPS was IPS could then go and promote the teachers they wanted into those positions. Inherently, are you not basically relegating the rest of the schools into not having that benefit, which you claim is such a significant part of potential success for IPS?

**Ms O'Neill**: I said more than that, so I think you have to listen to the total of the commentary, which was: it is one lever out of all of the school effectiveness factors that are available to schools. We think it is a significant lever. We think that there are a lot of schools that can use that as a lever for success and they have, but I have also said that not all schools choose to make that their school-improvement objective, and we have some high-performing schools that have deliberately chosen not to go down a greater autonomy pathway because there might be other options available to them where they believe they can achieve the student outcomes. The whole point of the program is that schools and the community decide that this is a vehicle that they believe will make a big difference in the life of their school.

**Ms R. SAFFIOTI**: Out of the 800 schools, can I ask how many do you believe will be IPS? What is the vision out of 800? How many will be IPS?

**Ms O'Neill**: I do not think we have ever crystal ball gazed because it is about choice and support. But if you just took, for example—perhaps we have 150 very remote or very small schools. For argument's sake, you could say that perhaps you would not expect them but, by the same token, those schools might say, "We have and our community has a vision for this community and we

think IPS could be a significant factor." I would not want to lock us into trying to corral people's choice round this.

**The CHAIR**: Sharyn, just on that point, I just wanted to follow up. In your submission and today, we have talked about the benefits of IPS initiatives. What does the Department of Education consider to be the disadvantages of this initiative? Are there any?

**Ms O'Neill**: I do not know that I can pinpoint what I think are disadvantages. I can probably pinpoint what I think people have raised as the tensions. There is the one that I have already mentioned that people have raised around staffing—the criticism Rita has raised around being seen as two tiered. There can be, I think, some potholes if not well managed. One I have already alluded to earlier, and that is that some people might think that they are truly autonomous and then act as if they are not part of a system. This is something that we have spent a lot of time over to work with those schools so that they understand that they remain part of the system. If they were truly independent, they would be in a different system. So I think potentially that is a disadvantage if people lose sight of the system-ness—what it means to be part of the system—and took on a perspective of, "I'll worry about my school and not anyone else." Perhaps they could try and attract kids from one school to another. I think that is potentially a disadvantage if not managed. But our risk management over this initiative has been comprehensive. We have identified that already as a potential issue and we work with our schools specifically around that. It is up-front in the selection; it is up-front in the development program. Potentially, I think that is a disadvantage if not well managed.

**The CHAIR**: How do you address the issue of risk management that you talked about? If within a reasonable-sized regional town there are four or five primary schools and two of those primary schools are IPS, and because of the real or perceived status of IPS everybody wants their kids to go to the IPS schools, how do we risk manage that?

**Ms O'Neill**: You are right. If I had reflected on the disadvantages, again, the accrual of status is potentially a disadvantage. There are a couple of things, I suppose, and I think that occasionally we have this in a couple of small towns—they are not small because there is more than one school, so perhaps mid-sized towns—and it is working with the local community because, remember, it is choice. Let us say, for argument's sake, that you have Northam, which might have four primary schools.

**The CHAIR**: Take my town, Esperance. Esperance Primary School is an IPS. I am not sure whether one of the others is becoming an IPS.

**Ms O'Neill**: You have a few that are interested —

**The CHAIR**: Yes, very interested —

**Ms O'Neill**: — and a few that have tried and —

**The CHAIR**: Yes. I want to talk to you about that later—not specifically.

Esperance Primary School is an IPS school and because of the perceived or real improved status of IPS and what it can provide, some of the parents in Nulsen want their kids to go to Esperance Primary School.

**Ms O'Neill**: From a practical perspective, people cannot just move schools if there are local intake areas.

**The CHAIR**: So we are still zoned, are we?

**Ms O'Neill**: Yes. We still have all the protections that were there previously for schools, but I would prefer that people would want to go to a school, not just be forced to go to a school. It would be nice if that were not constrained by the local intake area, but they wanted to go to that school. It is true that IPS has in its success accrued some schools a pretty popular status. I think that

has been a benefit rather than a disadvantage for those schools. What does it say about the other schools and how do we help the other schools? We work directly with any school that needs that sort of assistance. Some of those schools have not elected to try to be IPS. I guess that is the point I am making. In a small community you might have five schools, two of which are IPS and one does not want to be. They can hardly complain if they made the choice not to be part of the initiative.

**Mr M.J. COWPER**: How do you deal with a situation in which parents are electing to send their children to another school, which happens to be an IPS rather than their local school, and one which the parents themselves once attended, and prior to IPS coming on the scene, this school had a, say, less than favourable reputation? How do you turn around and say to those parents that you are going build this school up? I have a situation—I think you know what I am talking about—I have the largest senior high school in regional Western Australia right next to the smallest senior high school in regional Western Australia, and people are marching with their feet. How do you resurrect the persona of that particular school?

[10.30 am]

**Ms O'Neill**: There are a couple of things. First of all, people cannot just march if there is a local intake area, but in some areas there are not.

**Mr M.J. COWPER**: The problem is that the big school can offer bigger subject selections, and that is how they attract students.

**Ms O'Neill**: I was going to get to that. That is not new and that is not an IPS problem, although IPS can add to the issue. Big schools have always been able to offer broader curriculum and attract different sorts of programs. You sort of have to, I guess, put that to one side because that is an existing problem. If the other school wants to be IPS and has not been able to be, that is why we made amendments to our selection to have a development program to assist them. That is one thing that we would do. But leaving IPS aside, we go out and review any school that is struggling to meet the needs of its community. We have a whole team of people that go in to help schools improve and turn around. We can offer a whole range of services that are not really much to do with IPS. We do that for any school.

**Mr M.J. COWPER**: Let us just walk through that. I have a copy of a document that I got from my predecessor that dates back to 1985, and it could well have been written two years ago about the same school. You have already done a review on that particular school and I understand that there has been some leadership change, and a very good leadership change, but I have spoken to that person and told them that they could expect my support in this whole matter of trying to build the school up, but at what particular point do you step in and say that it is just not going to work because people—the parents and the townsfolk—have a particular view, and 13 school buses leave that town each morning?

**Ms O'Neill**: Again, I just make the point that that is not —

**Mr M.J. COWPER**: You have a paradoxical situation; you have more kids in the primary school than you have in the senior high school.

**Ms O'Neill**: That is not specifically an IPS issue and it predated IPS if you go back to 1985. There are some schools that, by virtue of a range of historical factors and some recent factors, struggle to be schools of choice. In some regional areas we are looking at some opportunity for change—that I am not in a position to really talk about—to strengthen regional secondary schooling in particular. It is not usually a primary problem; it is more particularly a secondary problem that we find. Some of that is constrained by bus provision as well. But they are not new issues and they are not specific to IPS.

**The CHAIR**: Sharyn, can I ask you in what circumstances are schools considered unsuitable to become an IPS? We did mention that in my electorate there have been schools that have applied and

not been successful. How does this work and in what circumstances are schools considered unsuitable?

**Ms O'Neill**: Schools elect to express their interest. Historically we have had three criteria that they need to demonstrate suitability over. Early on, they would demonstrate that through a written submission. More recently, or in the last couple of years, we have moved to a development situation—a development program where we actually help them demonstrate, and it goes through a process to be able to demonstrate that. There are three criteria. It is about their capacity to be able to work in a more autonomous environment. We look at the management of the school, their audit results, their financial position—they need to demonstrate the capacity to take it on. The second criterion is around community support. That means both the internal community—the school staff, teachers and others—and the external community. So, to what extent is the community behind this and supportive—the board, the P&C and the broader community? In the development program, the community member actually comes and is part of that development program, so it is all very up-front. The third criterion is around—they need to be able to demonstrate what benefit because, as I said from the start, this is not about just giving people more authority; we want to see how they are going to use that great autonomy to improve the teaching quality at the school.

They have to demonstrate that against the three criteria. We have some schools that miss out one year and come back the next. We have a small number of schools that have missed out several times. It is a panel that is independent from the school and from the region, and has people who bring their expertise to it. There have been some schools that have missed out over quite some period. From our perspective, we are just not prepared to put people into the initiative who cannot demonstrate that they have the expertise to manage it.

**Mr M.J. COWPER**: Sharyn, I have been involved in the reform process in other government departments where there has been a devolution of authority going back down to the local level, which is welcomed by those. But my experience has been that once that authority has been devolved, not all control, or not the equal amount of control that is required, has been devolved. In fact it may initially be devolved, along with the authority, the responsibility and the control, but humans being what they are always want to maintain control and they ratchet back that control. Now, you are saying that some schools are under the misunderstanding that they are not autonomous. But there has still to be a balance there whereby they have some sense of independence to be truly independent schools without the levers being pulled from headquarters. That, in my experience, in other government departments has been a problem. How are you going to manage that? You are saying that we are really not going to see any benefits and we may not realise any significant benefits from this new system for some eight, nine, 10 years.

**Ms O'Neill**: I might just start with the last part first. What I did not say is that we will not see benefit. We are seeing benefit already—distinct benefit in those schools in terms of cultural change in terms of community support, in terms of people wanting to go to those schools. I mean, we have drawn back market share, which has never, ever happened before in this state, and not nationally either. So I think we are seeing benefits. I was talking about the specific direct correlation between IPS and student outcomes.

The challenge that you raise is a very real one. As you say, with any system where you devolve control and authority, it is always the temptation of the centre, usually, to pull things back. We have spent a lot of time looking at that issue because it is historically a very, very centralised system. You are right; schools have to have that sense of independence. But what we have tried to be clear about is over what things. That is where some other programs I think have struggled a bit, because they were not clear about you have independence and autonomy over these things and not over those things. We try to be very clear about that. So, for example, IP schools have to operate inside the legislation—they must—government acts et cetera. In terms of our policy, they have to operate inside of our policy unless they negotiate a move away from the policy. So, they do have full

authority over their selection. They never used to have any authority over that. They have full authority over that selection. There is no involvement of the central office in that outside the public sector standard requirement. So I think they are pretty clear over what they have authority over and what they do not.

I guess our concern around this was significant enough that we went to form for them—which has not happened in other states yet—what we call a delivery and performance agreement, where we made a written agreement, which they have never had before as a school, over what they are expected to do and what we are expected to do.

**Mr M.J. COWPER**: What happens to those teachers who are not selected in the IPS system? The Department of Education is still required under the Public Sector Management Act to employ them.

**Ms O'Neill**: Yes, that is right.

**Mr M.J. COWPER**: Where do they gravitate or where do they filter to? Where do they sediment?

[10.40 am]

**Ms O'Neill**: You are exactly right. Hopefully, they do not sediment anywhere—we want them to be a bit more open than that. They are part of a system, and that is why we have to maintain a system, because as a government employer we have a responsibility to the individual staff who are with us whether or not the school is an IP school. So, the same industrial protections are there for all staff; if they become, you know, what used to be termed a redeployee in our system, the system assumes the responsibility for those individuals. So, if they are a permanent employee of the department and they become surplus to need at this school—the system—that is when our responsibility kicks in and it is our job then to assist them to find a new location.

**Mr M.J. COWPER**: So potentially they could find themselves in one of those 150-odd small remote —

**Ms O'Neill**: No. I am not going to move them from Dawesville to Kununurra. We apply a localised approach, and we would never—we just do not do that. In fact, if we could not find them a place, we would hold them supernumerary.

**Mr M.J. COWPER**: Just as a snapshot, do you have any teachers who currently do not have a place to teach?

**Ms O'Neill**: No. The first answer is no. In a system such as ours, where we have 40 000 employees, we always have redeployees. It is just a given because of our size and nature; we always have had. We used to have, and it was typical for the system, let us call it seven or eight years ago, at any one time several thousand people who we were finding places for, but we always had fixed-term positions, so sometimes we would need to move them, but they all had a position—maybe not all, but we were required to find them all a position. With all the reforms that we have put in place, that number is down to less than 100. So this big myth about IPS has created redeployees, it has not. The myth that we cannot place them, we can. The myth of the two-tier system, we are better off tenfold in terms of redeployment and staffing than we ever were pre IPS. Some people have been concerned, "If I am employed in an IP school, I can somehow lose my job." Schools cannot under the legislation hire and fire; the employer can. So, they choose them; we pay for them; and only I can sack a teacher, personally; so, it is just one. So, all the protections are available under IPS as they are for any other school. If they become surplus to need, the system kicks in; we pay for it; and we find them a new place.

**Mr R.F. JOHNSON**: When you say only you can sack them, if the school principal does not want them, is it down to you to redeploy them?

**Ms O'Neill**: Yes.

**Mr R.F. JOHNSON**: Do you have to redeploy them? Do you have to accept the principal's directions to say, "I do not want this teacher anymore"?

**Ms O'Neill**: Let me clarify. When they first become IPS, we give them a chance to re-profile. They get one chance to re-profile.

**Mr R.F. JOHNSON**: That is the principal?

**Ms O'Neill**: Yes, the principal. But it is usually done with discussion with senior staff and the school board.

**The CHAIR**: Re-profile the staff, you mean, for the school?

**Ms O'Neill**: Yes. So they might say, "Previously we had two deputies, five senior learning area people, and"—I do not know—"50 staff. Instead, we want to have three associate principals, the same number of staff, and two sups", so they can work out their kind of composition. So, as a new IPS, they get one chance to re-profile, and if there are people surplus to need, we will redeploy them—if they are permanent, that is—because we are required to.

**Ms R. SAFFIOTI**: Are you redeploying them normally to non-IP schools?

**Ms O'Neill**: Largely, but not exclusively, because IP schools do take redeployees—they are not compelled to, but they do take them.

**The CHAIR**: Does that happen much?

**Ms O'Neill**: Yes.

**Ms R. SAFFIOTI**: What is the percentage?

**Ms O'Neill**: Eleven per cent.

**Ms R. SAFFIOTI**: So, 11 per cent of redeployees go to IP schools, and 89 per cent go to non-IP schools?

**Ms O'Neill**: But our requirement is, as the employer, for permanent people to find them a position.

**Mr M.J. COWPER**: So if I was a principal of one of these 50 schools that are coming onstream and I was looking to re-profile, and I had an interest from a very good deputy principal down the road at the nearby school in coming here, would that then create a profiling problem for the next school and then perpetuate a ripple effect through the whole system?

**Ms O'Neill**: That is not specifically an IPS issue. Whenever there is a vacancy, anyone can apply, and then obviously if someone from another school applies, being the deputy, that would create a vacancy over there. All the same public sector standards apply around recruitment, selection, appointment —sorry, Rob, you asked before about whether —

**Mr R.F. JOHNSON**: I want to continue, if I can. Once they have had their one opportunity to re-profile their staff, whatever it is, if at a later date the principal suddenly decides, "Hang on, I do not want some of these 50-odd-year-old teachers, I want some younger ones, more dynamic, whatever, who are more with it and all the rest of it", are they able to do that and get rid of that particular teacher?

**Ms O'Neill**: No.

**Mr R.F. JOHNSON**: Because I know of a case of a 50-odd-year-old teacher, excellent teacher, fantastic results, but the principal does not want him there. It is not one of my schools, I hasten to add. It is a school in another area.

**Ms O'Neill**: So the safeguard we have put in place—aside from that one-off, first-time re-profiling, if you as the principal created another redeployee because you decided you wanted to focus on French and not phys. ed. or something, and you created that redeployee, the safeguard is that you have got to keep them at the school and find them another role and you have got to pay for them.

Principals cannot willy-nilly—and I do not think they do—take a dislike to someone and ship them out; they cannot do that.

**Mr R.F. JOHNSON**: That is happening in one case that I am aware of and I am very concerned about that. I might come back to you at a later stage to talk to you about that.

**Ms O'Neill**: Sure; I would be happy to talk to you about that.

**Ms R. SAFFIOTI**: But during the original re-profiling they can do that, can they not?

**Ms O'Neill**: They get one chance to change the structure of the school. Some schools have changed the structure, but their roles might change and they have just kept them. Others, they become surplus to need and their budget does not allow for it. They stay at that school, so they always have a job, and we negotiate their movement to another place, but we negotiate with the person.

**Mr R.F. JOHNSON**: Sharyn, how long is that one opportunity?

**Ms O'Neill**: They get six months.

**Mr R.F. JOHNSON**: So they can get rid of a teacher within six months if they want to?

**Ms O'Neill**: Yes.

**Mr R.F. JOHNSON**: If that principal suddenly decides five months down the track from the initial stage, "I've had enough of that particular teacher; I want somebody much younger, who is more dynamic, who specialises in this," blah, blah, blah, they can then get rid of that person—yes?

**Ms O'Neill**: They have to comply with public sector standards, which means that they have to be able to demonstrate that it is a structural issue. The person has to be surplus to need, even —

**Mr M.J. COWPER**: You cannot discriminate on age, anyway?

**Ms R. SAFFIOTI**: You can.

**Mr R.F. JOHNSON**: You can. You do not have to say it is age; you simply say, "I want that teacher", and that teacher just happens to be 25 years old and the one I want to get rid of happens to be 53 years old. That is possible —

**Ms O'Neill**: They can restructure.

**Mr R.F. JOHNSON**: They do not say —

**Mr M.J. COWPER**: But you said —

**Mr R.F. JOHNSON**: I am quoting a fact at a particular school; okay?

**Mr M.J. COWPER**: Yes. But you said that they stated because they were 50-something years of age.

**Mr R.F. JOHNSON**: Yes, because a lot of principals do not want older teachers.

**Ms O'Neill**: If I can add, though, in the re-profiling rules, you cannot decide, "I've got a head of department phys. ed. and I don't want the person anymore", and get rid of them and bring in a new head of department phys. ed. You cannot re-profile like for like. That is the safeguard that we have got in place; you would have to be restructuring and getting something different. So part of the safeguard is to make sure that people are not doing what you are saying. Now, I cannot —

**Mr R.F. JOHNSON**: But you said, Sharyn—sorry to interrupt—you did say that you can restructure. You can say, "I don't want that person, but because I'm forced to keep them employed, they're doing a different role in the school."

**Ms O'Neill**: It is all about —

**Mr R.F. JOHNSON**: So you could bring in a new phys. ed. teacher.

**Ms O'Neill**: It is all about positions, not people, notwithstanding that I am sure you have got stories—people have got stories.

**Mr R.F. JOHNSON**: It is people at the end of the day.

**Ms O'Neill**: Yes; but I am just saying that in terms of the restructuring, the restructuring has to be a business case around, "I need this structure, not that structure." So it is about the positions. Then they are required, after that initial point where we will help people move—and generally someone who is surplus to need does want to go to another place to have a job that they are interested in—after that initial time, then all of the normal public sector rules around structuring and redeploying et cetera apply. That is the safeguard.

**Mr R.F. JOHNSON**: How much involvement does the board—the new board; the new, established board—have in those decisions? I ask that because the other complaint I have heard from some people is that the principal tries to get people that they know—which I would probably do myself if I was there to get my own way in many, many ways. How much influence —

**Ms O'Neill**: The board is not involved in—is not allowed to be by virtue of the act—in the day-to-day staffing of the school.

**Mr R.F. JOHNSON**: Other than the principal?

**Ms O'Neill**: Yes; so usually what would happen —

**Mr R.F. JOHNSON**: I am sorry—they are involved in the selection of a principal?

[10.50 am]

**Ms O'Neill**: Yes, that is right. They are one part of a panel for selection of the principal. But the general day-to-day management and running of the school is solely the principal's responsibility. What they do, though, is that they normally talk to their board about, "We want to move to this sort of structure." But it is more of a consultative thing; the board does not have to sign off the staffing structure of the school.

**Mr R.F. JOHNSON**: So it is a bit like the old system of saying. "Well, I've consulted with them; we are just going to tell them." You have consulted with them; you do not have to actually get them to agree.

**Ms O'Neill**: But I do want to make the point, though, that it is exactly the same arrangement—because it is under the public sector standards—pre-IPS. The principal has always had control of the school site, so when we moved to the principal being responsible for staffing, it was under, again, the very strict confines of public sector standards. There are appeal processes and the grievance processes, and all those things apply. There have been a couple of people who have put in a grievance about the fact that they have been made a redeployee and those grievances are heard. So, all of the same protections, industrially, apply, as they always have done before.

**Mr R.F. JOHNSON**: I would certainly hope so.

**Mr M.J. COWPER**: I was just interested in knowing what you are doing in the space of succession of this going forward into the future?

**Ms O'Neill**: Succession?

**Mr M.J. COWPER**: Yes; where you have got an IPS school there and let us say, for argument's sake, it is working at an optimal level. Of course, any organisation is ever evolving. One day you might even decide to hang up the boots and maybe the members of the panel here might move on and there is going to be a new crew, which is the natural thing to occur. I am just interested to know how you maintain that balance between head office and supporting the school and the board and the principals who, as a result of the IPS have been given a lot more responsibility, a lot more work and obviously longer days in the chair. I would just like some comment around where you sit —

**Ms O'Neill**: I will not necessarily make comment about the last part, because that is perhaps for another discussion. But, yes, I think that is a challenge for any change management program of this sort. We call it the creep back. How do you ensure, as a central office, that you are not over time adding more onus on the school—you know, more reporting, more and more and more, and then really returning to a place where you are centralised, because that has been—because you are alluding to the fall down in many —

**Mr M.J. COWPER**: You were talking before about outcomes, and I am very pleased that you are talking about outcomes—that you are focused on outcomes—but the enemy of outcomes, obviously, is process, and it is the process that worries me.

**Ms O'Neill**: What we have done over time, as a new component like staffing or one-line budgets, or, indeed, we have got 445 IPS schools that have a specific agreement between the director general, the board chair and the principal that outlines the roles, responsibilities and authority that they have—so we have a written agreement. Then we have an independent team who do a review against that. What we have tried to do to stop that creep back is make sure that we have systematised processes such that that is the normal way of operating with those schools. It is more culturally the clawback—it creeps in in little things. Sometimes I have—and we have established an IPS reference group and they have a keen eye to this, where they give us advice about where they see that creep back, where a regional executive director rings an IPS school and sort of takes, I guess, a position where they are telling them they have to come to something and they do not have to come to something. We are trying to safeguard against that all the time. That is more of a cultural thing. The processes are locked in. It is hard to unwind that. It would be hard for anyone to unwind that and get the creep back. I think the potential is in people's communication in any new initiatives that come out. If we are putting into place new initiatives, we run it through this sort of meter, I suppose, in terms of whether it is —

**Mr M.J. COWPER**: I understand that it is a complex organisation, but in any complex organisation there needs to be, obviously, some simplicity so people can follow it. The natural reaction is if you are not getting your way from centralised departments, to put more process in the way. That is something that worries me, not only in education.

**Ms O'Neill**: I think that potentially exists, as you said when you started the question around any movement towards devolution, that as the centre gets perhaps sometimes nervous or wanting more and more, they then put in place more and more. All I can really answer to that is that we are very conscious of it. We, as an executive, check through consistently any new initiatives that we are not putting greater load on. We have evaluations that run—you know, the Melbourne university evaluation—and the research talks about the fact that if you are going to have a default system, it is as much of a cultural change in the central office and the regional offices as it is in schools, because they are used to exercising high levels of authority.

**Mr M.J. COWPER**: One last question, thank you, doctor. Can you tell us about some successes that you are having with the IPS schools as far as them now being given this sense of flexibility within their organisation and some new, I suppose, innovative learning methods? I am very proud to be on a board where we have students doing Mathletics, which is pitting them against the best in the world. Last year we were in the final and this year we went very close again. I would like to know about these other initiatives at other schools across the breadth of the state at the moment.

**Ms O'Neill**: Perhaps if I can refer you to one of the attachments in our submission, which was a study that we initiated. I think it was the one that Dr Jacobs referred to earlier. That gives case studies of up to 20 schools where they have done some quite different things—it is by Hamilton Associates; is that the one?—with the autonomy that they have been given. Very often what it is around is freeing up resources so that they can take different approaches in different schools. The very first thing I would point to, one of the very early examples, is Roseworth; it used to be Balga primary or an amalgamation of a couple of schools. Just on a very quick summary, first, they

used to get zero applications for jobs—very difficult school, very low SES—and they now get over 100 applications for jobs. People want to go there. Why? Because the school and its community declared, "This is the way we do it here." They introduced a whole-school approach to teaching that had consistent standards.

**Mr M.J. COWPER**: A change of culture.

**Ms O'Neill**: Yes, absolutely. What was really interesting, the psychology of that, is that teachers who had never wanted to go there before wanted to go there because the school had a very clear vision for the way it would manage its curriculum, for the way it would manage its pedagogy. They have also had there an Edith Cowan teacher development training centre that is purpose built, where you can teach in there and people can observe from the outside and give continuous feedback. There is one example that was in the first 34 on how they came together as a staff and community and said what the school was about, what was the vision for teaching and learning, changing the resources to put a focus on quality teaching. There is one good example. Other people might know of others off the top of their head.

**Mr R.F. JOHNSON**: That is one of the IPS schools?

**Ms O'Neill**: Yes. I did not come prepared to talk about —

**The CHAIR**: I just want to move on to boards, if I may?

**Ms O'Neill**: Sorry?

**The CHAIR**: Can I move on to boards?

**Ms O'Neill**: I thought you were going to give an example of a board!

**Mr R.F. JOHNSON**: I will not delay the committee too long. Sharyn, this whole IPS system was initiated under Liz Constable when she was the minister, I believe, yes? It was about six years ago; she was the minister then?

**Ms O'Neill**: Yes, that is right.

[11.00 am]

**Mr R.F. JOHNSON**: I would hope that a lot of research went into this. In researching the benefits of IPS, with having school boards—local people involved in the running of the school, if you like, as a board—what sort of research did you do? Did you research what happens in England, because I have to declare that I was the chairman of the governing body of eight schools and was on the governing body of two other schools as well in the UK, and they have been doing this system for about the last 50 years; from what I gather, they worked very well. I have got nothing against local communities forming as a board and having a say in how their school is run and it not being simply left to the principal and "Silver City", if I can put it that way, because I think that is too distant.

**Ms O'Neill**: Yes, that is right.

**Mr R.F. JOHNSON**: Local communities like to have a say. You had the parents' representatives, you had local councillors —

**The CHAIR**: Is there a question here?

**Mr R.F. JOHNSON**: Yes. Chairman, I have already asked a question and I am just elaborating on it. The question was: How much research did you do? Did you look at the UK model, which is prolific in school boards, which is an IPS system really? So that is the question, okay?

**Ms O'Neill**: There are two levels, really. The initial research went back many years, because school systems have been investigating versions of autonomy for a long time. In fact, Lindsay and I, in a previous life, were involved in a smaller scale version of it. You can go right back to Better Schools many, many years ago under Minister Pearce at the time. So there have been iterations.

Regarding the research specifically on school boards, yes, we looked at the UK and its model—to schools and the boards. The boards themselves have much greater individual authority over the running of the school, so on the continuum of autonomy, that was for the board greater autonomy than we have, because the board does not run the school here. We also looked at the US and their charter schools—again, another version. The jury is very much out on the charter schools program. Then we looked also at Canada, Ontario in particular. I guess what I can say to you is yes, we did research. There is a continuum of how far schools go. If you just look inside Australia, for example, in Victoria, I think under Jeff Kennett at the time, they were a centralised system and the next day they were highly devolved. Now they are looking to us to learn from us; they have pulled back because they believed they went too far. So, yes, there is a whole continuum.

Yes, we did do research, but the important factor is that we continue to do research, so just recently we commissioned Curtin University to have a look at how the boards are operating, what the opportunities are to strengthen that—so whether they have got real involvement, not token. It is fair to say that some of our boards, we have got a handful that struggle to get—they are all quality people, because they want to be there to help, but some have more expertise than others. So we have worked with Volunteering WA early on and they help us in those schools to get some people on the boards that are there to actually strengthen the schools. It has been a very positive journey.

**The CHAIR**: Sharyn, what training is provided to people on boards?

**Ms O'Neill**: I might get David to answer that, because we have got some, and I think attachment 7 we have asked to be closed. On the basis of that, we will be having quite a high level of specific training on top of what we already do.

**The CHAIR**: Just what we do now.

**Mr Price**: When a school is confirmed to be becoming an IPS, they have to go through the transition program. One of the elements and components of the transition program—which is a training program on how to get the most out of a one-line budget, how to employ staff et cetera—that they have to partake in is around the area of governance. We provide board training for members of the board and the principal before they become IPS, but we also provide ongoing training on a needs basis across the state. In the last three years, I think we have trained in excess of 3 000 people. The problem with that is that it is an unrelenting demand, because, of course, boards by their very nature keep changing, so you no sooner have a board framed than three years later they change. As Sharyn said, we are actually looking —

**Mr M.J. COWPER**: It takes you three years to get trained. I am halfway through one. I will be of some value and then I will be out the door or I will go to the next school!

**Mr Price**: We are going to initiate some more intensive, advanced training that will be supported with online materials.

**The CHAIR**: So how much training will a person on the board for those three years get? Where will they go? Will you go to them or will they go to you?

**Ms O'Neill**: We go all over the state.

**The CHAIR**: Do you have a team of people that go and provide the training?

**Ms O'Neill**: We have staff in David's area, including David, who do that.

**The CHAIR**: So you go —

**Mr Price**: The only way we can do it effectively is to ask schools to combine together to get the maximum number at any given time, particularly when we go to regional areas and schools.

**Ms O'Neill**: So the research that has just been done—we have asked for it to be closed at this point —

**The CHAIR**: Sure.

**Ms O'Neill**: — on the basis of that we are in discussions with the minister about really ramping up and improving and looking at some online facility for that training to help us with the constant turnover.

**The CHAIR**: There have been some submissions that we received stating that the board realistically has no power to make a decision, and all the decisions are made by the principal and the opinion or the direction of the board is not taken into account. What happens in this decision-making when there is a difference of opinion between the board and the principal—they are not on the same page as it were? What is the incidence of that happening where you have this issue? I think Murray alluded to this, where a principal says, "This is my way or the highway. This is the way we're doing it. I run the school." What is the real role of the board in that situation?

**Ms O'Neill**: The board responsibility is outlined in the School Education Act and the delineation of responsibility really is between the strategic and the operational. The board is involved in discussions about the vision of the school and the direction it is taking. The principal, again, his or her responsibility is also clearly outlined in the act, and they have responsibility, as the site manager, for the day-to-day running of the school. So those are clear, but we do go back in the board training to talk about that again, because there are some people who might misunderstand that they are coming on to a board and it is like a board, say, of a company; in fact, they ask us about indemnity and that sort of stuff. So there is some work that is done to assure people. From our perspective, most of the response is the other way; that is, school board people, almost to the letter but obviously not entirely, tend to not want to run the school. They tend to want to play a part, but are very comfortable in not being the final decision-maker. I meet with groupings of school board chairs. I have not had it raised with me that someone felt like they were not being heard. I am not saying it has not happened, but it has not been brought to my attention. Have you?

**Mr Price**: No. We get a lot of questions about boards and, really, it comes back to the question Sharyn has already mentioned: what is the difference between a strategic role and an operational role? Sometimes in the argy-bargy of a council or board meeting some of those blur a bit.

**The CHAIR**: For instance, the board would have to endorse the DPA, the school business plan and the budget?

**Ms O'Neill**: Yes.

**The CHAIR**: What if there is disagreement on that?

**Ms O'Neill**: If there were to be disagreement, we would appoint an officer to assist in any discussion—if we thought it had broken down to that point. We would, if we needed to, provide mediation so that the conversation keeps going. We have not had that occurrence, but if that were to be the case, we would get ourselves involved such to help them get back on track.

**The CHAIR**: Do any other members have questions? Rita, would you like to move on to another subject?

**Ms R. SAFFIOTI**: I was just picking up on an issue raised in relation to principals and applications for principal jobs. The feedback we got was that it does not seem as many people applying for principal positions as there were because of the added responsibilities and workload, and something that was put to us was that a recent job vacancy had poor applications, whereas previously it would have had dozens. Is that some of the feedback you are getting back?

[11.10 am]

**Ms O'Neill**: Not about IPS, but if I just stand back—because IPS schools are always applied for.

**Ms R. SAFFIOTI**: They say they are applied for, but there are not the amount of applications that there had been in previous years.

**Ms O'Neill**: I would not draw that parallel with IPS and if I just stand back from IPS for a minute, because I have had raised with me recently that question that there are fewer applications for some jobs, not for all jobs. We are doing some work with Dr Ben Jensen on a comprehensive leadership strategy, and he is at the moment in the middle of doing some research on our data to see if that is the case. I will ask Cliff to help me, but I recall from that information that that was not necessarily the evidence.

**Mr Gillam**: No, it is not necessarily the evidence. It is very specific to location, we find. There are some instances where there is an expectation that there might be half a dozen applicants and it becomes three or four. In other locations, there are a significantly larger numbers of applications. Considered as a whole, across the average, there are no fewer applications for positions than there were five years ago.

**Ms R. SAFFIOTI**: Okay.

**The CHAIR**: One of the matters that was put to us was around the burdensome nature now of being a principal. Not only do you have to be a teacher and run an education program, you have to be a business manager —

**Ms R. SAFFIOTI**: An administrator.

**The CHAIR**: — an administrator. You have got to run the whole thing. So, you have devolved this all to them, and I think there are some principals who go, "Wow! This job is pretty burdensome." For the uninitiated, like us, it probably would seem that way, too.

**Ms O'Neill**: Principals have always been education leaders and managers, but I have also heard about the sense that the growing amount of management is an issue. The Melbourne university report pointed to claims of increased work, particularly in the first year. I think that would be the case given there is a different approach being taken. I think that is already acknowledged in the report. But in the evaluation, the principals also stated that while there was increased work, it was work that they saw as important and wanted to do. In recognition of this, that is why IPS schools in that initial period get a transition amount—an additional transition amount of money—in recognition of the work that they are going to do with the community for the DPA et cetera.

**The CHAIR**: How much is that—$30 000 or something?

**Mr Price**: Between 20 and 40.

**Ms O'Neill**: Depending on the size of the school. And then, on top of that, those schools get an ongoing additional administration grant in recognition of some of the extra tasks that need to be undertaken. I guess I point to —

**The CHAIR**: Sorry, Sharyn, is that employing a financial manager or —

**Ms O'Neill**: They can use it however they choose to, to provide that support. So we have tried to recognise that. In the evaluations, the principals themselves said that particularly during the transition and the first year of operation—that is in the report that we have given you—it was due to the demands of training, developing the business plan and implementing new systems. But, having said that, no-one has come to me and said that they would like to return to the previous system. So, it seems to be an initial upswing while they are getting on top of the new demands.

**The CHAIR**: Sharyn, can I just move to the DPA, which underwent a major restructure in 2013. What is the reason for the restructure, and what are the aims of the agreement restructure and were they actually achieved?

**Ms O'Neill**: The answer to the last part is yes. The initial DPA that was struck with schools was a very early version of that. As we discussed with schools at the time, the first 34 were always going to be part of the ongoing development. They agreed to that when they first became IP schools in the first and second rounds. I think really it is a reflection of the sophistication of the system as it

evolved. It was based also on feedback from schools that they wanted some more clarity over aspects, certainly from a system perspective. New things had emerged like the new student-centred funding model, which was a critical part. So it was timely to update that and give schools greater clarity, the system greater clarity and the board greater clarity. I think it was a natural evolution, given that the year 7s had change, the SCFM had come in, and the national curriculum phases were coming in. It can never be a static document. What we did say to the IP schools, though, was that they could see out the agreement that they were on. So we did not put them into upheaval, but we noted that as their three-year agreement would mature, they would then commence on the new one. So we tried to manage that in a sensible way.

**The CHAIR**: In our previous hearings, there was some commentary on line management. Under non-IPS, there was middle line management, if you like, for want of a better word. Now, under IPS, there is none of that, because you line manage 445 schools in this state under IPS. The question is: how can you as one person line manage 445 schools?

**Ms O'Neill**: It is a really good question! If you were taking an old conception of standard management practice line management, you would have to say that is not doable. We have taken a different approach that we have also had discussions with the Public Sector Commission about. What we have tried not to do is say that with IPS, everything is normal, except we have given you a few flexibilities. It is a reconsideration of the total conception of a school having greater autonomy. Rather than have an individual, like we did in a highly centralised system —Education has never had the command and control arrangement that other agencies have had, by its sheer size. With 800 sites, if you had your best practice line management, which is one line manager to about five or six people, that has never been done in Education, because they have always been so distributed. So, the approach that we took, following discussion with others, was that we would reconsider the total conception of what line management meant—which they have never had before—and we introduced the delivery of performance agreement, which outlines the expectations, and people find it hard to understand that schools have not had that in that way before. We outlined a very clear written agreement that the board signs up to, and that is our line management, I guess as it were, through that arrangement. Their performance agreement is directly that—a delivering performance agreement. We also introduced external reviews. So for IPS, this department does not review the schools. Another department reviews the schools—I think you have already heard from that department. The whole conception is different. How we keep quality control on a day-to-day basis is that we have introduced over time much more sophisticated systems of knowledge and data. We have what is called the school performance monitoring system, which is pretty much live for us, and we can look in at every school about the results, who is on sick leave, who is being paid what. We have line-of-sight over all of their expenditure. We do not control it, but now with the new system that we have in place with the SCFM, we get alerts if people are getting close to expenditure limits. It was not as though it was decided that, well, you are all on your own, and somehow miraculously I can manage them all. That is not the approach we take. We have consistent monitoring.

**The CHAIR**: Sharyn, this is the issue for me, really. You talk about autonomy, but are you sure that you do not have abandonment.

**Ms O'Neill**: Exactly.

[11.20 am]

**The CHAIR**: In this autonomy, where does a principal go? If he or she has a problem or needs some advice or an opportunity, where does that person go, because previously in the other system, where you had sort of middle management or line management, there was a clear way of communicating with that person around issues, opportunities or whatever. We do not expect now, do we, under the new IPS, for a principal to ring you up and have that conversation?

**Ms O'Neill**: I hope not! I have not had the chance perhaps to take you through this.

**The CHAIR**: Where does it go?

**Ms O'Neill**: IPS principals would say they have more available to them than they had before. I will put it to you this way. We have regional executive directors. They still exist. IPS principals can go directly to them.

**The CHAIR**: We heard that that was not necessarily the line by which they went through under IPS?

**Ms O'Neill**: The difference is that they do not have to. They can go to their regional executive director. David heads up a specific unit of people that they go directly to. They can go to their regional executive director. We have a schedule of lower level concerns, and they can go directly to the regional executive director for that. If they have systemic concerns in the central office, they know they go directly to that.

**The CHAIR**: Can you give us an example of the systemic versus lower level?

**Ms O'Neill**: Okay. If the water pipe bursts at Gnowangerup Primary School, for example, they go to their regional executive director. That is all listed, and they know that. They can go and get some help there if they want it. If they feel they want to do something different in the area of behaviour or something and they feel like they are getting blocked with that, they will go directly to David.

**The CHAIR**: Or a question about one of the 80 policies that we have heard about?

**Ms O'Neill**: Yes, so they can go directly to our policy people or David. Actually, part of their job is to advocate for IPS inside the system. We have also set up a team called the principal advisory team.

**The CHAIR**: So, for Hansard, what is David's area?

**Ms O'Neill**: Sorry. It is the school improvement and support unit, and that is specifically there and has been since the first 34 IP schools. We have set up the principal advisory team. These are people who act more as coaches and mentors. They can go to those people, should they wish, and they do. Another team we have just set up recently is around performance of teachers. So, everything that is available for any other principal is available for IPS principals. They are not compelled to go to regional office meetings if they do not want to, but they can. They have all the freedoms to use any support services. Therefore, the idea of abandonment really is a nonsense. We also have an IPS reference group. They can go to them as advocates into the system. It really comes back to, at the end of the day, all the supports are there. I guess the issue has been raised again about who finally makes a judgement about their performance. That is the traditional line management question. I think all the supports are there. They have an annual performance letter from me, based on all the information and the DES review that we have available to us. They are also certainly required to do the national surveys, and we get information from parents. I think the support for IPS—in fact, the Melbourne evaluation overwhelmingly talks about the level of support that they get and that they feel pretty supported. I think the support in my mind is adequate; it is that traditional view of the line management relationship. I can tell you, as I meet with them all in groups of 20, most of them either maintain a relationship with the regional executive director, because they find that conversation useful—some of them ask them to be much more directly involved in their schools—and there is another group that use them when they need to, but none of those people feel like they need to restore a one-to-one line-management relationship. I guess the success of that, and the reason why I negotiated that with the Public Sector Commission and the success I point to it, is that on no factor do we have more performance problems with principals, we do not have any more conduct problems with principals, and the performance management is compliant with the public sector standards, so there has not been any dip in service or support, as far as has been pointed out to me.

**The CHAIR**: Sharyn, in providing this support, how large is David's support unit?

**Mr Price**: Ten people and six of them are principals.

**Ms O'Neill**: That is not the only place they can get the support, but what these guys do is then get inside the system and advocate for them, with staffing or with Lindsay's area. Lindsay's area being statewide services, it has all the curriculum, behaviour, all that sort of stuff. We have principals also in that area who directly assist. I have been director general nearly 10 years. The system has enormous amounts of support for principals in place at the moment.

**Mr Hale**: Could I just make a comment in relation to that also? Not only have we maintained all our support structures or modified them to be better able to provide service in this sort of environment for all schools—so there is no distinction, for instance, in my area of statewide services; whether you are IPS or not, the service is available to your school—but I think one of the important things that has happened parallel to IPS and greater flexibility across schools has been the establishment of networks of schools. There is actually a very powerful base now of peer support amongst principals and school staff, and often when they tap into our services, they do not just tap in on a school-by-school basis; they actually tap in as a network. There is quite a bit of strength in that. So, it is ironic in a way that one of these fears that if we have more independence, people would be inclined to go it alone. Actually, what we have seen is a massive rise in collaboration across these networks and between schools.

**Mr M.J. COWPER**: Is that between secondary and primary?

**Mr Hale**: Sometimes. There are those connections made between secondaries and other secondaries, primaries and other primaries, and often they are also made locally between K–12.

**Ms O'Neill**: Chair, we fund networks as well, so that they can do some work between them in support of each other. What I am really encouraged about with our IPS schools is that they elect to work with a full range of schools—IPS and non-IPS—to share their learning.

**The CHAIR**: Is that like a cluster of schools?

**Ms O'Neill**: Yes. A network is a geographic cluster of schools. Sometimes it is not geographic, because secondaries tend to be more distant from each other, they also network together. We have thought through that question of feelings of abandonment because, to take you back to what I said previously, that sense of being part of a public school system and the power of that is actually in the collaboration and in the size and scale of the support that you bring.

**Mr M.J. COWPER**: If you were a savvy principal of a secondary school, you would want to have close connection with your primaries, because you know what is going to be coming down the road. That leads me to a question about the capacity of the boards and the business plans and how flexible they might be, examples of where they may need to change their business plan. How freely can they do that, given that there might be some opportunities or changing environments—let us say a rapidly growing area that has an opportunity for a school to do some trials with autism? The fact that we now have challenged students, now have been avoiding mainstream, how does that sit with the capacity of boards, principals, to be able to be responsive?

**Ms O'Neill**: In the training, and with our view of the documentation of a business plan and a DPA, the DPA is set, because that is the high order expectation. The business plan, we would expect the business plan to be agile. You would not set something for three years and then be locked into it. We would expect if there was an emerging issue, and you have pointed to a couple of great ones, a school with lots of autistic kids starting to come —

**Mr M.J. COWPER**: If you set up a program, then everyone in the district decides to come and moves to the area.

**Ms O'Neill**: We would expect them to be agile in their planning, but also now that they have the student-centred funding model, they have the flexibility of that and the staff to respond as well. Where we see some of those things emerging, as a system we are able to fund a specific targeted

initiative, if we believe it has a system need. I think the agility that is available now compares to how they would have been locked in previously. They would have been less able to respond previously than they can now.

[11.30 am]

**The CHAIR**: Sharyn, could I ask about—I think we touch on it in our terms of reference—how IPS would affect positively or negatively students with special needs? Forgive me for reading this, but a requirement was introduced into the DPA that student and school characteristics funding is—and I understand we do not want to cloud the student-centred funding model with IPS, but having said that, we are still interested in how this new system would support students with special needs. I understand that there are five areas of attracting funds under the student-centred funding model, but my question is: How does a school know the funding provided for a particular student, given it is a one-line budget? If the school must use the funding for a particular student, should it not be separated out of the one-line budget? We understand, for instance, if you attract some funding for isolation or Aboriginality or second language—you can identify those—but what about students who have other needs because of behavioural issues or neurological issues —

**Mr M.J. COWPER**: Issues at home.

**The CHAIR**: — and to actually put that money to where it needs to go for those kids that have got special needs?

**Ms O'Neill**: Perhaps if I make one comment, and then I will get Peter and then Lindsay, who are the experts in the area, to talk a little about it. You are quite right in that it is not an IPS issue; it is an SCFM issue. I was interested in the amount of interest in your terms of reference about disability, because there is nothing structurally different in the system between IPS and non-IPS with regard to disability, but I am happy to obviously explain.

**The CHAIR**: Sharyn, if schools have autonomy and principals and boards have autonomy, then we would hope that autonomy may go, "Oh, well, I have a special cohort of kids in my school who need special attention. I can divert funds to those special cohorts."

**Ms O'Neill**: That is what they can do. I will get an explanation for you just now on the structure of the one-line budget, because it does not just come in one big ball, there is, as you say, the five areas, and there are some expectations around those, one of those being disability. But on the benefits side, yes, absolutely. We would expect schools and specifically IPS schools—but not only IPS schools, because all schools can do this to differing extents—and the whole point of the reform is to respond to the kids that you have in your school. If you have got a bunch of disabled kids or kids who have learning difficulties that are not disabilities, the whole point of it is to reorganise your resources, your time, your effort, so that all children get the appropriate support. But I will ask Peter just to give you a very quick outline of how the SCFM works with respect to disability, because I think that is important just to clarify and then Lindsay perhaps on the support that kids get.

**Mr Titmanis**: There are several levels. We have got a software tool that the principals use where they identify the type of students they have in their school. They will identify them as a student with a disability or an Aboriginal student or a student from a low SES background. There is a whole bunch of characteristics that they include when they are planning their budget. They get access to that tool around about September and as they build new enrolments or students leave, they adjust that tool. It is on that basis that we then fund the school, which includes, as Sharyn has already said, all the major funding lines, but also for individual students, such as students with disability. When they do get that funding, what appears in the school is a statement, much like your bank statement, which says, "Here are all the different line items that you are getting money for, and this is the number of students that you have said are eligible and then create that dollar amount for your school." You get it broken down, just like your bank statement, as well as an overall statement.

**Ms O'Neill**: So if you have 10 students with disability, you will get 10 lots of funding for students with disability. It is not just one lot.

**Mr Titmanis**: The other thing that Sharyn has introduced is the funding agreement for schools, which is for IPS an addendum but for all other schools it is a new document, which also says the sorts of things that you have been alluding to; that is, you have got this money for, say, students with disabilities; it is intended that you have to spend the money on those students with a disability and also then report to your board through the annual report and to us through other information we collect about whether or not that has occurred. There is an accountability side built into it to make sure that the money is directed to the students who have generated those funds for the school.

**The CHAIR**: But that money can go into this budget for the school.

**Ms O'Neill**: Yes; it is part of the total.

**The CHAIR**: So, what checks and balances are there to make sure that that money is spent on a particular cohort of student, not directed to a school in Canberra or something?

**Ms O'Neill**: The funding agreement sets out the expectation and then we have acquittals and an annual report at the end of the year to ensure that that funding is spent on the students that it is given for.

**Mr Titmanis**: If I can just amplify that, one of the requirements in the reporting side of it is that if you have students with a disability, as an example, we expect you as a school to provide evidence about how those students are performing in relation to key performance indicators. If you have Aboriginal students, we want to see how those Aboriginal students are performing. That includes things like attendance, things like NAPLAN results or HR results.

**Ms O'Neill**: The other important accountability check is the parents themselves. If you know parents who have students with disability, they are usually pretty engaged in the school program and they are usually very aware. We fund eight categories of disability. Parents know that. Depending on the adjustments that are needed, there are rates given. There is a strong internal accountability of the teachers themselves and the parents, and of course then you have the external review, the DES review, which looks at the school's self-assessment and the documents that they have generated. That is the same level of accountability because it is a higher standard that we set for accountability for funding that goes specifically for students, and that is the same for all students, all schools.

**Mr Hale**: Sharyn, do you want to comment on the broader services?

**Ms O'Neill**: Chair, do you want any more information on disability?

**The CHAIR**: Is there any sort of statement we could have to see how that works, like a copy of an example?

**Ms O'Neill**: Of the funding agreement?

**Mr Titmanis**: We can provide what the school receives as a statement.

**Ms O'Neill**: We will give you a real school's statement that they get, how it is broken down.

**The CHAIR**: That would be great.

**Ms O'Neill**: Sure. We will give that as a supplementary, I guess.

**The CHAIR**: Could you provide examples or circumstances in which the director general—you—has brought forward a school's next DES review or instigated an ERG review? I am not sure that I understand what the question means!

**Ms O'Neill**: I can tell you.

**The CHAIR**: ERG is when the school is not performing and you send in —

**Mr M.J. COWPER**: On an IPS school or on any school?

**Ms O'Neill**: IPS. I have not had the need to seek the Department of Education Services to bring forward a three-year review, so I have not had concerns that would warrant that at this point. Normally, that would be reserved for a school we believe is dysfunctional and I would have to ask DES to bring that review forward. I have not had to do that. However, given my responsibilities, I am not going to wait three years if I have a school of concern. So, we have our own internal mechanism—the expert review group. I have on five occasions over the last six or seven years, whatever it is, asked for a form of expert review. Sometimes that is the whole school because I have concerns generally or sometimes it is a specific area. I have done it four times for an exemplary review because we look at both. We do exemplary because we want to share the great stuff they are doing, and we have done that, and I have done five expert reviews on IPS schools where I have something that I am concerned about because of information that has been given to me, or you know how I said we have the school performance monitoring system? We monitor all their data, so there is something that alerts us.

**The CHAIR**: What are the common alerts, Sharyn?

[11.40 am]

**Ms O'Neill**: It is very often—it is not very often because there are only five of them. It has been the case that we would perhaps get some local complaints, so we keep that data—three parents write in and say they are concerned that their child was forced to go into a split class. That in itself would not make an expert review, but let us say over time we get five or six or however many concerns about the management of the school or perhaps I get a report from my audit team and they say they are worried that the financial management of this school is not looking as they would expect it to be, or in terms of the DPA, they are not meeting requirements under the DPA. For example, we might be concerned about their HR management. We might have had processes, selections, that we are concerned have not met the standard.

If I just track back, Chair, to my discussion earlier about the different way that we are enacting line management, we have a lot of information available to us. I would not call an expert review on a one-off. We might hear something, so, with David, we will monitor that. We will be gathering information. Complaints come in from parents from time to time. It is an amalgam of information.

**The CHAIR**: You would look at the educational outcomes, the indexes you have like NAPLAN.

**Ms O'Neill**: In the school performance monitoring system, we have a flagging when there is a pattern of change in terms of the outcomes. When the NAPLAN comes, let us say it has been green, which is our marker for satisfactory, and it seems to be going downhill quickly. We will get together, we will do an analysis of that and we might call on the basis of that concern. We believe it is our responsibility, at the distance that we have, to be able to be proactive rather than waiting for things to accumulate. When we have a concern, I actually will ring a principal or I will ask somebody to do it on my behalf—David or others. All of you at one stage would have rung someone on my behalf. As an executive, we get together once a month and we look at the data with David and his team and we consider whether we need to interact with a particular principal. It is a very proactive, continuing monitoring system that we have in place.

**The CHAIR**: We might let you go. I just need to read a closing statement first. Thank you very much for your time today and giving evidence before our committee. A transcript of this hearing will be forwarded to you for correction of minor errors. Any such corrections can be made and the transcript returned within 10 days if you deem it needs correction. If you do not return it within 10 days, we deem that you deemed it correct. Please do not let that stop you providing any other additional information or elaborating on a particular point. Please include supplementary submissions as you wish and return with the transcript. Obviously, new material cannot be added via these corrections, in the sense that your evidence cannot be altered. If you could undertake

to provide those things that you have said during the inquiry you would provide to us. Thank you again.

**Ms O'Neill**: Chair, can I ask some questions?

**The CHAIR**: Sure.

**Ms O'Neill**: First of all, I think there was only one supplementary item, which is the funding, as I recall. Second, we will make an amendment because I realise that I said that they get a performance letter annually, but it is actually part of the three-year cycle, so we will amend that. I just wondered if I was able to ask the time line for the committee's deliberations.

**The CHAIR**: We have two significant inquiries.

**Mr M.J. COWPER**: We are running parallel inquiries.

**Ms O'Neill**: That is fine. I just thought I would ask if you had something in mind.

**The CHAIR**: Towards the end of the year.

**Ms O'Neill**: At any stage it becomes available, we will obviously be interested in it because it is a significant part of our work and is driving some real change. We kind of approach the inquiry really openly, as obviously we ought to, because we are constantly looking for improvements. If there are things that we believe, on the basis of the inquiry, will help strengthen the initiative, that is certainly what we want to do.

**The CHAIR**: Thank you very much.

**Hearing concluded at 11.44 am**

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