

ASSOCIATE

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November 2013

Editorial

The organisers of the 2013 Cairns Conference are delighted to provide a report on this highly successful event. On behalf of all who attended we extend our appreciation and congratulations on an outstanding achievement. Whilst on a conference theme, you are encouraged to lock into your diaries 28th September to 1st October 2015 for a trip to the West. To wet your appetites, the organisers of Embracing Diversity, the theme for the Perth Conference, provide an introduction to what will be an event not to be missed.

This edition of the *Associate* has a more technical theme than usual and we thank the following authors for taking the time to provide a wealth of valuable information for our members

– Lisa Berton, Partner at Kemp Strang Lawyers; Nathan Croot of Emil Ford Lawyers; Lester Wills, Audit Partner of Nexia Australia; Sharon Starr, the Inaugural Chair, School Development and Leadership at Deakon University; Malcolm Leithhead, Safety Measures Manager for Emergency Plan (NSW) Pty Ltd; James Field, Complispace; Bill Daniels, Executive Director of the Independent Schools Council of Australia; and John Somerset.

In particular we extend our appreciation to the team at McBride Charles Ryan and management of Penleigh and Essendon Grammar School in Keilor East for providing the lone article relating to a school. Articles relating to other schools provide their own form of professional development.

We therefore encourage you to contact one of the editors to share a tale you may have in relation to your school, or a neighbouring school that you believe would be of interest and benefit to your colleagues.

As always, our sincere appreciation is extended to our advertisers, whose generous sponsorship covers all costs associated with the publication and distribution of the *Associate*. We also thank our publisher, Stephen Miller, for his gracious good humour and for producing a first class magazine.

We trust that you enjoy this edition of the *Associate*.

Best wishes
Sue, Kathy and Kristy

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Association of School Business Administrators (QLD) Inc
Association of School Bursars and Administrators (WA) Inc
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Cover photograph: Smiling faces enjoying lunch at Shore Preparatory Northbridge, NSW.

ASBA Update

From the Chair



PROFILE

Michelle Houwen BBus (Acc & Fin) AIMM CPA MBA, was elected Chair of ASBA Ltd in April 2012, following a period as Deputy Chair and Director of ASBA Ltd, and is the Immediate Past President for ASBA (WA). Michelle has been Business Manager at St Hilda's Anglican School for Girls since 2004.

It was pleasing to see around 600 Business Managers from around Australia take time out of their busy schedule and enjoy the delights of Cairns at the recent biennial ASBA National Conference 'From Potential to Performance'. The opportunity to refresh and recharge in such a beautiful environment whilst having access to world class speakers is definitely a wonderful thing. Individually it gave us the opportunity to re-evaluate our own performances and think about what we could do to improve. Sometimes it is just the chance to get away from the day to day operations that allows us the head space to initiate such evaluation and change to ensure we remain at the top of our game. There was definitely plenty of variety and opportunity to find topics that related to each of us individually.

Of course these conferences are as much about reconnecting with colleagues from around the country and across the waters. It is an excellent opportunity to engage with like-minded professionals and discuss some of the difficulties we all face on a day to day basis. It was a wonderful effort by the Queensland team to put on such an event and we appreciate all their time and hard work. Now we all need to plan to visit Western Australia in 2015!

Your national body has spent a bit of time lately working on the new ASBA Website which is now up and going. Hopefully by now you would all have taken the time to have a look around, update your details and sign up to our new LinkedIn group to ensure you can participate in the discussions that are now happening. We would like to encourage all members to use this facility so we create a vibrant, active discussion board.

This website will become the national source of member information and thus communication for all members, so it is important that we have everyone signed in to avoid missing out. In 2014 we are hoping states will take up the opportunity to organise their membership fees online. This means individual states will be alleviated the mundane task of sending out invoices and chasing up payments. Our national secretariat PAMS will take on this responsibility and liaise individually with the state membership coordinator and treasurer to ensure all is in order. Membership lists will be more accurate for all with the ability to differentiate between full or retired members.

In addition the national PD committee will be coordinating their offerings and getting them loaded onto the calendar online. Again, the ability for members to quickly go online to register for a state or national event or PD opportunity will alleviate unnecessary paperwork and form chasing. Organisers will be able to liaise with PAMS and get an updated list of attendees and payments.

This is an evolving process as we change the way we complete such tasks, but it will be worth it. We are hoping this will free up the state committee members from this detail and allow them to focus on creating the collegiality, conversations and opportunities that each state would like to undertake for their Chapter.

Over time we will work on loading document templates, national and individual histories as well as other articles. We will even look at whether we should be moving the Associate online.

As mentioned at the conference, we currently heavily rely on our members to volunteer to undertake these roles and this is not always easy to do when you know your day job takes priority. Whilst

we will always rely on our volunteers, we need to move to a more professional setup to ensure we are moving with expectations, both from our members and for the increasing professionalism required of Business Managers in the Independent School industry. The national body is now looking at this aspect and what we can do to ensure we stay relevant and timely moving forward. This includes taking on the feedback from our Sponsors and ensuring we create support for their aims. It is no secret that we rely heavily on the support of these sponsors and given the emergence of various other organisations in the Education sector, it is imperative that we hold our place as sponsors look to other opportunities to get their product or message out.

May you have a productive Term 4 and a wonderful end to 2013.

See you all in 2014!

Michelle Houwen

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You and the law

Strengthening the weakest link

Interaction between anti-bullying laws, WHS and other claims

Lisa Berton, Partner at Kemp Strang Lawyers, discusses the new anti-bullying laws and their implications for Independent schools.

New anti-bullying laws were recently passed giving the Fair Work Commission (FWC) jurisdiction to hear bullying complaints and issue appropriate orders on and from 1 January 2014. The Coalition Government has indicated it will keep these laws with one possible amendment adding in a "preliminary step" before FWC becomes involved.

Through amendments to the *Fair Work Act*, the FWC will be invested with jurisdiction to deal with workplace bullying complaints by workers who believe they have been bullied. The new laws commence on 1 January 2014 and allow a worker who is bullied at work to apply to FWC for various remedies to deal with the behaviour.

The new anti-bullying provisions apply to all constitutionally-covered undertakings. This includes all registered corporations, the Commonwealth, Commonwealth authorities and body corporates incorporated in a Territory that conduct a business or undertaking. The amendments do not apply to certain State public sector employees however State work health and safety legislation will continue to apply to these employees and entities.

The amendments to the *Fair Work Act* effectively for the first time grant a right to workers to seek redress for workplace bullying through specific legislation.

The FWC will be required to commence dealing with an application for an order to stop bullying within 14 days of the worker's application being made.

There has been much debate over the emerging definition of bullying. The definition used in respect of this new jurisdiction is the same definition as proposed in the draft Code of Practice on Preventing and Responding to Workplace Bullying. The definition adopted is "workplace bullying is repeated and unreasonable behaviour directed towards a worker or a group of workers that creates a risk to health and safety."

"Unreasonable behaviour" is not defined in the *Fair Work Act*, however, the draft model Code of Practice defines "unreasonable behaviour" as behaviour which a reasonable person, having regard

to all the circumstances, would see as unreasonable, including behaviour that is victimising, humiliating, intimidating or threatening.

Where the FWC is satisfied that a worker has been bullied and there is a risk the worker will continue to be bullied, the FWC may make any order it considers appropriate (other than an order requiring payment of a monetary amount) to prevent the worker from being bullied.

A breach of any orders made by FWC may result in penalties of up to \$10,200.00 for an individual or \$51,000.00 for a body corporate.

INTERACTION WITH WHS

Broader definitions

Access to the anti-bullying laws is not limited to employees. The anti-bullying laws rely on the WHS definition of worker. Whilst employees may bring applications to FWC this expanded definition also means those able to seek redress through the FWC extends to contractors, subcontractors, the employees of contractors/subcontractors, apprentices, worker experience students and volunteers (to name a few).

Involvement of WHS Regulator(s)

In addition to FWC making any order it considers appropriate where it is satisfied that a worker has been bullied and there

"Implement a clear procedure for promptly and fairly addressing and handling allegations of bullying in the workplace."



is a risk that the bullying will continue, the FWC may also refer the matter to a WHS Regulator. This may have significant implications for the undertaking.

In a matter in which the FWC makes an order that bullying has taken place, such a finding may be used by WHS Regulators (eg WorkCover NSW) in relation to prosecutions for breaches of WHS laws as evidence that bullying has occurred (and thus comprising a risk to health and safety). Such evidence could be used to establish the organisation failed to take reasonably practicable steps to prevent the bullying conduct. The officers of the organisation may also face prosecution with respect to their stand alone due diligence obligations.

Fines for breaches of WHS laws can be up to \$3,000,000 for organisations, \$600,000 and/or 5 years imprisonment for officers and \$300,000 and/or 5 years imprisonment for other individuals.

INTERACTION WITH WORKERS COMPENSATION

The anti-bullying laws expressly state that “reasonable management action carried out in a reasonable manner” is not workplace bullying. In terms of workers compensation, reasonable performance management carried out in a reasonable way is a well known exception to the payment of compensation.

On this basis, it is clear that the potential impact of a FWC order may support a workers compensation claim on the basis that the FWC could not make such an order unless workplace bullying occurred – that is, there was no circumstance of reasonable management action carried out in a reasonable manner. The timeframe for FWC to deal with bullying complaints (14 days) will also make it difficult for employers to gather enough evidence in support of their position in time.

INTERACTION WITH DAMAGES CLAIMS

In line with the issues already mentioned, a FWC order may constitute evidence of workplace bullying that could be used by individuals with respect to common law damages claims. This is not a light risk for business or undertakings to consider – in a Victorian case this year a worker was awarded nearly \$600,000 in damages after it found she was bullied, harassed and intimidated in circumstances where there was an absence of any bullying and harassment policies in the workplace.

PRACTICAL STEPS

Clearly the scope of the anti-bullying laws is far reaching and will impact on many undertakings from different angles at the same time. The effect can result in the

undertaking spending time and resources in defending multiple proceedings, including criminal sanctions under WHS laws. On this basis, key practical steps which should be taken by all businesses now include:

- Review and update existing bullying, harassment, grievance and WHS policies and procedures (or develop these where they do not yet exist).
- Develop social media and strong IT policies – bullying can just as easily (and often does) occur in the IT space.
- Train staff (officers, managers and workers) on bullying and harassment and inform them on how they can make an internal complaint and the informal/formal means of dealing with them.
- Implement a clear procedure for promptly and fairly addressing and handling allegations of bullying in the workplace.
- Lead by example – culture will be a big feature in the new laws and senior employees and officers can lead by example and indicate that bullying conduct will not be tolerated regardless of who engages in the conduct (whether between co-workers or even a worker bullying their supervisor).



You and the law

Reforms to the Privacy Act 1988

What are the implications for Independent Schools?

Nathan Croot, of Emil Ford Lawyers advises that on 12 March 2014, a series of amendments to the *Privacy Act 1988* will take effect. The *Privacy Act* is one of many Acts which govern privacy in Australia. One of the key components of the *Privacy Act* is that it requires certain entities to comply with privacy principles.

The *Privacy Act* currently contains the National Privacy Principles (NPPs) and the Information Privacy Principles (IPPs). The NPPs apply to organisations. An organisation is:

- (a) an individual; or
- (b) a body corporate; or
- (c) a partnership; or
- (d) any other unincorporated association; or
- (e) a trust;

that is not a small business operator, a registered political party, an agency, a State or Territory authority or a prescribed instrumentality of a State or Territory. A small business operator is a business that had an annual turnover for the previous financial year of \$3,000,000 or less. However, a business is not a small business operator if it provides a health service to another individual and holds health information. The vast majority of, if not all, independent schools provide health services to students (such as a sick bay) and hold information about students' health. Therefore, the NPPs apply to independent schools. The NPPs do not apply to NSW public schools because they are State authorities.

The IPPs apply to Commonwealth agencies and are similar to the NPPs. The IPPs do not apply to NSW public schools.

The Commonwealth Government has made the amendments to the *Privacy Act* in response to the 295 recommendations

made by the Australian Law Reform Commission in its 2008 report on privacy law in Australia (Australian Privacy Law and Practice (ALRC Report 108)). The amendments deal with approximately 197 of the recommendations.

There are three key parts of the amendments that apply to schools:

- (a) the amended definition of personal information;
- (b) the Australian Privacy Principles (APPs); and
- (c) the updated enforcement options.

The APPs will replace the NPPs and the IPPs in the *Privacy Act* and will apply to APP Entities. An APP Entity is an agency or organisation. The major difference is public sector and private sector entities will need to comply with the same privacy principles rather than different ones. As discussed above, the vast majority of, if not all, independent schools are organisations under the *Privacy Act*. Therefore, independent schools are APP Entities and will need to comply with the APPs.

The APPs tend to be more specific and prescriptive than the NPPs. This should provide greater clarity of their privacy obligations for independent schools. There is a link at the end of this article to a more expansive paper that I have written which discusses the amended definition of personal information and the APPs in more detail.

Currently under the *Privacy Act*, a

FURTHER INFORMATION

There is a more in depth analysis of the amendments to the *Privacy Act* in my paper on the Emil Ford Lawyers' website (<http://www.emilford.com.au/education-schools/free-education-law-papers-and-resources/>).

breach of the NPPs, or of some other part of the Act, is unlikely to lead to any serious consequences. The amendments to the *Privacy Act* increase the Commissioner's powers and the enforcement options available to the Commissioner. The amendments do not include a statutory offence or cause of action for breach of privacy, although such an amendment may come at a later stage.

Currently, the Commissioner usually responds to a privacy complaint by arranging a conciliation conference between the parties. However, after the amendments come into force, the Commissioner will have broader enforcement powers to respond to a privacy complaint. These range from an assessment of a school's compliance with the APPs to civil penalties (which may be ordered by a court).

Independent schools should make sure they are aware of the amendments to the *Privacy Act* and take steps to ensure they are prepared for when the amendments come into force. All independent schools should ensure that they update their privacy policy so that it complies with the APPs. Independent schools should also ensure that they implement practices, procedures and systems that comply with the APPs.





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Educational ethos in built form

The Infinity Centre

– learning is boundless and enquiry is a life-long activity

Debbie Ryan, Interior Designer and owner of McBride Charles Ryan (MCR) explains that “In essence, this building is a bespoke response to a brief developed by the school. Our response as a design team was finely tuned to provide all of the things that this school identified as important and offer more”.

Interior Designer Debbie Ryan and Architect Rob McBride, MCR, have forged a building that is an embodiment of the journey of education and the crossover between disciplines. Structured around two protected courtyards, the infinity symbol form enhances the learning spaces’ access to light, views and ventilation. The library and student learning centre are located at the heart of the infinity form. Specialist precincts, Art, Science, Cafe and a huge variety of learning spaces are distributed throughout the form. This planning allows the building’s circulation to constantly

return to the library at its heart and in this way it physically echoes the educational ethos of the school.

The Infinity Centre is a new senior school for the Penleigh and Essendon Grammar School in Keilor East. PEGS approach to VCE combines structured pedagogy with individual freedom, and fosters socialisation and interaction.

The Infinity Centre reflects this approach through the key concepts underpinning its design: the dynamic between structure and fluidity; between uniformity and individuality. At a practical level, the Infinity Centre provides all the



Internal spaces are richly expressive

structured areas required of such a facility. Beyond this, the design is developed as an abstraction of the infinity symbol; an emblem that appears on the school’s logo and is both symbolically and formally rich. The symbol represents the school’s approach to continued learning, as well as the interconnectedness of activities within its organisation. Importantly, the key quality of the symbol is its connectivity; a recognisable topology that allows its meaning to withstand formal deformation. This flexibility is evident in the manner with which the building occupies its awkward ‘L’-shaped site while joining all the disciplines and environments to provide a rich and seamless experience for staff and students.

The building is clad in gloss-black and silver-banded brickwork, like a medieval walled city. Sweeping ‘gateways’ maintain the fluid continuity of this form and provide access into the school’s sheltered inner courtyards. The consistency of the external architectural treatment is in contrast to the richly expressive variety of internal spaces, materials and colours that distinguish the disciplines.

The coexistence of these contrasts is



At a practical level, the Infinity Centre provides all the structured areas required of such a facility



The design is developed as an abstraction of the infinity symbol; an emblem that appears on the school's logo



The Infinity Centre is a celebration of the potential for architecture to realise the ambitions of its community

emblematic of the school's pedagogical approach. The Infinity Centre is a celebration of the potential for architecture to realise the ambitions of its community.

Nina Bilewicz, Vice Principal, explains that "McBride Charles Ryan has worked closely with the school in an effort to understand the school's needs and translate them effectively and creatively. As a result their building reflects the educational and social principles upon which the school is based. Their articulation of these principles is energizing and engaging. MCR achieved outstanding results while working with the budget set by the school."



The building is clad in gloss-black and silver-banded brickwork, like a medieval walled city.

ASBA 2013 *ignited* to full potential

Members of the ASBA 2013 organising committee worked tirelessly for over four years to create an environment for delegates to be inspired by world-renowned speakers and also to have ample time to take advantage of the many social activities designed to fully facilitate networking opportunities. We wanted to provide you with the chance to reunite with old friends and to meet new friends both amongst fellow delegates and loyal and trusted sponsors and exhibitors.

We trust that you were able to enjoy and embrace the hospitality of the beautiful north Queensland region and to expose yourself to some new and exciting experiences.

We certainly took great pleasure in seeing you all relaxed and so collegial during the course of the week.

Final attendance numbers exceeded over 900 ASBA members, sponsors and exhibitors. We know many of you also brought your partners, family and friends. We are sure you will agree that Cairns was a truly an idyllic location for such an extraordinary event.

Final Presentations

The ASBA 2013 program brought together an amalgamation of some of Australia's finest presenters. The program was relevant, engaging and topical and the speaking performance reached its full potential. You can view the presentations provided online at www.asba2013.com or on the Association website.

Fabulous photos

The photos taken during ASBA 2013 have also been made available for you to view and download at your leisure.

Sponsorship and Exhibition

We take this opportunity to thank all our sponsors and exhibitors. A Conference of this magnitude and value for money would not be possible without our many sponsors and exhibitors. We thank them all very much for being involved and we trust our delegates took the opportunity to network and engage with them accordingly.

As ASBA 2013 draws to a close, we can all mark our calendars and look westward for the next chapter in the ASBA professional development journey. We wish the ASBA 2015 Organising committee as much success and we trust you enjoy the journey as much as we did. See you in Perth 28 September to 1 October 2015 at the Perth Convention and Exhibition Centre.



ASBA Update

Embracing Diversity

– 2015 conference preparations begin

Preparations for the 2015 conference in Perth are now underway and it promises to be something very special.

The 2013 Conference in Cairns has proven to us once more that we can achieve much through networking and good speakers; Congratulations to the 2013 Organising Committee.

The 2015 Conference Organising Committee has been working for some months and has laid the foundations for a new and exciting format which will show you how we are all Embracing Diversity.

Our positions of School Business Managers and Bursars involves us in many varied aspects of School life, including Community, Education, Governance, Human

continued overleaf



The Perth skyline at sunset



The 2015 Organising Committee



EMBRACING
ASBA CONFERENCE 2015
28 september - 1 october perth convention & exhibition centre
DIVERSITY

ASBA Update

Embracing Diversity continued

Resources, Finance, Risk, Facilities, Technology, and Relationships; a diverse smorgasbord of roles and responsibilities indeed.

This conference will also lead us into the new world of technology as you will be dependent upon your mobile device or notebook computer for daily conference information.

We already have some great speakers lined up; Geraldine Doogue, Alan Cransberg (Managing Director Alcoa), Steve Harris (Managing Director MarketForce) and Matt Rockman (Co-founder Seek.com), ably coordinated by Karen Tighe, ABC Grandstand Sports Scaster. We will have a few more by the time we meet on September 28 to October 1 2015 at the Perth Convention and Exhibition Centre in Western Australia.

Visit the Conference website www.asba2015.com to register your interest and be kept up to date on ASBA 2015 as we plan towards what promises to be a great conference you cannot afford to miss!

Right: Karen Tighe, ABC Grandstand Sports Commentator and ASBA 2015 Conference MC

EXCITING SOCIAL PROGRAM SET FOR ASBA 2015

Perth has grown considerably since 1999 when Perth last hosted the ASBA Conference and we want to share with you how our city has grown over the years into a vibrant cosmopolitan city. Therefore we will be taking you to some of the top locations you must see when in Perth.



Above: The Fraser's complex offers the complete package with the award-winning Fraser's Restaurant, Fraser's Private Dining Room, as well as the Kings Park Function Centre next door.

Below: The view from the Fraser's Complex at night



The conference will commence with the traditional opening mass at the newly restored St Mary's Cathedral in the heart of Perth. This will be followed by an opening function that evening at the State Reception Centre located in the picturesque, Kings Park overlooking the beautiful Perth skyline and river. Watch the sunset and view the spectacular lights of the skyline at night, guests will sample our quality West Australian local produce and wines.

On the second night we will venture into the cultural precinct of Perth to visit the Western Australian Museum, a building that holds fascinating history that reflects the State's rich and diverse natural and cultural heritage.

For our grand closing finale we promise to entertain and amaze you at our glamorous gala ball – be prepared for the unexpected!





EMBRACING ASBA CONFERENCE 2015 28 september - 1 october perth convention & exhibition centre DIVERSITY



There is so much to see and do in Western Australia and we encourage you to stay a little longer to view some of the sites of our great state, here are a few suggestions for you to consider.

Tree Top Walk, Walpole

The first walk trail of it's kind, suspended 40 metres off the ground above majestic tingle Forest.

Australia's South West

Voted one of the top ten places in the world by Lonely Planet.

Margaret River Wine Region

One of Australia's premier wine regions is in one of Australia's most extraordinary locations.

Cable Beach, Broome

Watch the sun setting over 22 kilometres of pristine white sand whilst catching a ride on a camel train.

Ningaloo Reef

The world's largest fringing reef, reached by the world's shortest swim.

Monkey Mia

For 40 years, wild dolphins have been swimming in here virtually everyday.

The Pinnacles

Where on Earth does it feel like you're walking on the moon? Right here.

Wildflowers

Each year more than 12,000 species of wildflowers bring a spectacle of colour and scent to outback Western Australia.


Perth

Australia's sunniest capital offers 3000 hours of sunshine a year. And just as many ways to enjoy it.

Kings Park, Perth

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Governance

Business risk or risky business? – Risk management practices

Lester Wills, Audit Partner at Nexia Australia advises that Risk Management is an integral part of good management practice. Whatever, the size of the school a critical element when delivering effective risk management is to apply a process consisting of well-defined steps, which when taken in sequence, support better decision making by contributing to a greater insight into risks and their impacts. It is as much about identifying opportunities as it is about avoiding losses.

Implementing a formal risk management process is intended to identify, document, manage and communicate a school’s “enterprise risk”.

The underlying premise of Enterprise Risk Management (ERM) is that every entity exists to provide value for its stakeholders. All entities face uncertainty and the challenge for management is to determine how much uncertainty to accept as they strive to grow stakeholder value.

THE COMPONENTS OF ENTERPRISE RISK MANAGEMENT

Enterprise risk management requires categorisation tools to help organisations group and prioritise their risk and process management. A typical risk and process categorisation diagram can be depicted as in figure 1 below



Figure 1: Risk and process categories

With an increasing variety of risks – and the impact this may have in terms of financial and reputational loss – risk management has become a priority for independent schools.

OVERVIEW OF SURVEY FINDINGS

Nexia recently conducted a risk management survey in the independent school sector. We received over 100 responses from Bursars across Australia and New Zealand. We have provided below a summary of the key findings with a full report to be released shortly.

Do you have a senior executive staff member who has been allocated responsibility for Enterprise Risk Management (as opposed to workplace safety)?

Size	Yes
Less than 400	69%
400-600	64%
600-1000	60%
Greater than 1000	84%
Overall	72%

The survey found that 72% of respondents have a staff member allocated with the responsibility for Enterprise Risk Management (ERM). Those that have implemented or were implementing an ERM program 73% were using the ISO 31000 family or standards as the framework.

The ISO 31000 standards provide principles and generic guidelines on risk management and are considered best practice.

Have you implemented or are you currently implementing an enterprise risk management strategy and program?

See Table A right

The survey results indicate how important it is to allocate responsibility for ERM. Without a dedicated resource, or person responsible, only 8% of respondents had implemented or were implementing an ERM program.

If you do not have a dedicated risk management resource or employee or are not currently implementing a risk management program, what are the main impediments?

See Table B right

For those who had not implemented an ERM program the main impediment seemed to be cost, with lack of internal skill considered second.

Implementing an ERM does not need to be an expensive exercise. Each ERM program should be tailored to the school and can begin by establishing objectives for ERM, which can lead to an ERM framework and ERM policy.



BENEFITS OF IMPLEMENTING A ERM

What do you believe are the key benefits of implementing a risk management program?

See Table C below right

Generally, survey respondents believed the main benefits to having an ERM program was that it identified weaknesses and protected the school.

Among schools that had implemented an ERM program, ERM was viewed more positively as a means of identifying opportunities for the school.

As schools work to gain a clearer understanding of the value of ERM, they need to look to quantify its costs and benefits. It should not be seen as a compliance exercise, but an integrated method of managing risks and seizing opportunities relating to the achievement of the school's objectives. It involves a high level of engagement by employees throughout the school enabling individuals to think beyond their immediate areas of responsibilities. If done properly, it creates value for parents, students, employees and the community.

MANAGING RISKS

How effective do you believe your organisation is at managing the following risks?

See Table D on page 16

Respondents were generally strong in mitigating risks around Budget, Student Welfare and Regulatory Requirements and saw more opportunities in managing risks around Asset Management, Stakeholders, and Privacy.

continued overleaf

	Without allocated ERM resource	With allocated ERM resource	All respondents
Implemented or implementing ERM	8%	80%	60%

Table A

Impediment	Percentage of respondents
Cost	49%
Not our culture	5%
Not seen as a key focus	22%
Don't believe there is any value	0%
Lack of internal skills	24%
Too difficult to implement	11%
Organisation too bureaucratic	11%
Other	Theme was lack of time

Table B

Benefits	Not Implemented	Implemented	All/Both
Identifies weaknesses	81%	75%	77%
Explores opportunities	32%	45%	40%
Enforces accountability	46%	51%	49%
Protects the organisation	70%	75%	73%
Allocates resources to key appropriate focus areas	49%	45%	47%
Engages members of the organisation	19%	45%	35%

Table C

Governance

Business risk or risky business? – Risk management practices

continued

FURTHER INFORMATION

If you would like to receive the full report of our risk management survey or further information on how you can start implementing an ERM process into your school – please contact Lester Wills – Audit Partner, 02 9251 4600 or lwills@nexiacourt.com.au

Risk Area	Effective	Somewhat effective	Neutral	Somewhat ineffective	Ineffective	Mitigated	Opportunity
Student welfare	47%	51%	1%	1%	0%	98%	2%
Budgets	67%	30%	1%	1%	1%	97%	3%
Regulatory requirements	43%	48%	7%	2%	0%	91%	9%
Funding	52%	37%	9%	2%	0%	89%	11%
Reputation	43%	46%	9%	2%	0%	89%	11%
Liquidity	46%	42%	10%	2%	0%	88%	12%
Strategic direction	34%	54%	9%	3%	0%	88%	12%
Staff welfare	39%	46%	14%	1%	0%	84%	16%
IT Security	34%	50%	9%	8%	0%	84%	16%
Staffing resources	27%	54%	16%	2%	0%	81%	19%
Operations	35%	46%	15%	2%	1%	81%	19%
Fraud & Corruption	41%	40%	17%	2%	0%	81%	19%
Privacy	30%	48%	20%	2%	0%	78%	22%
Stakeholders	31%	46%	21%	2%	0%	77%	23%
Asset management	19%	49%	20%	11%	0%	69%	31%

Table D

For those that have implemented or are implementing an ERM program there seems to be a high degree of satisfaction in what they have put in place.

management initiatives. Some schools will begin or advance their ERM program development efforts. Others may include additional risk types within their ERM program – particularly those where risk methodologies are not as developed and the risks themselves less understood.

a more corporate approach to risk is likely to continue and schools that take a leading role in this will be in a position to use risk management as a key competitive tool.



THE ROAD AHEAD

What do you believe are the top 5 risks facing your organisation at present? And what do you believe are the top 5 risks facing your organisation over the next 5 years?

See Table E right

Grouping the responses by themes, enrolments, funding uncertainty and staffing concerns were the strongest responses in the survey in the short-term and continue as concerns over the next five years. Longer-term affordability was a trending theme with concerns raised over the increasing costs and ability to pass these on to parents.

Looking ahead, schools will focus on a number of different areas within their risk

The trend towards schools adopting

Risk area	Presently	Over 5 years
Enrolment	15%	14%
Funding	13%	10%
Staffing	13%	14%
Reputation	8%	4%
IT / Technology	8%	7%
Affordability	8%	11%
Asset Management	7%	6%
Solvency	6%	7%
Safety	5%	4%
Competition	3%	3%
Economy	2%	4%
Other (one-off risks)	13%	15%

Table E

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Professional Development

Impending business imperatives in school leadership

Professor Karen Starr, Inaugural Chair, School Development and Leadership, Deakin

University suggests that schools have become increasingly autonomous and self-managing and the complexity and scope of business imperatives have intensified. Education authorities and school boards must be assured that school business is enacted thoroughly and effectively, while school business leaders (and principals) possess the capability, knowledge and trustworthiness to oversee, conduct and plan school business activities.

My research into the education business profession in 2010 and 2011 demonstrated that the work of school business managers is extending into teaching and learning as incumbents assume roles previously undertaken by educators. The research also revealed that increasing numbers of school business managers are positioned and accepted as essential members of school leadership teams. This situation is creating a closer, symbiotic relationship with educators, giving rise to a paraprofessional status amongst education support staff. Fifty-five per cent of business managers said their role statement did not reflect their working lives.

Research from the UK found that school business managers save up to 35% of principals' time, while the net return on investment for schools can exceed 80 per cent. Resources that are saved (including time) are re-invested, creating benefits for students and teachers. Business managers save money, covering their own salaries within a three-year period. Furthermore, where school business is managed by a dedicated professional, principals report higher rates of job satisfaction, lower rates of occupational stress and higher retention rates. Interestingly UK's Cameron government instituted severe austerity measures across all public services in light of the global

financial crisis, but increased funding to train a further 1000 school business managers annually. The government recognised the direct and indirect savings created by school business managers, providing a sound rationale for their appointment, professional advancement and positioning as education business leaders.

The research supports the further development of distributed leadership in schools, with educational leaders working in multi-professional, multi-skilled teams with interdependence required between educators, business and support staff for optimal school operation. Every educational decision has a business implication. Complementary knowledge and skills are required to make wise decisions and maximise educational results.

Unfortunately, recent high visibility media attention has focused on business and governance problems in schools: schools falling into receivership, fraud, theft, principals suing school boards, boards sacking principals, etcetera. Such reports receive front-page newspaper and high profile electronic media coverage lasting for several weeks highlighting the liability borne by school councilors and leaders for business decisions made on behalf of school communities.

Currently in Australia, business





managers are not required to hold any specific qualifications. Many hold no tertiary qualifications. There is no compulsory training, induction, professional learning or registration required. Australia lags behind other advanced countries where qualifications and certification (registration) for school business officials is mandatory.


I would recommend that:

1. School business leaders bear sufficient responsibility, hold significant knowledge and skills, and provide important advice to educators (who are not trained in education business) and therefore warrant school leadership status, working in leadership teams alongside and for principals and school councils
2. As school business is becoming more complex and expansive, education authorities and governing bodies

take responsibility for managing the high risk that this entails. They must ensure that business managers have the essential skills and ongoing professional knowledge to conduct school business in prudent, efficient and timely ways

3. The more school business managers know, understand and support education, educational aims, policies, pedagogies and practices, the better able they are to conduct education business that supports improved teaching and learning outcomes
4. School business management professionalism should be enhanced and supported through:
 - recognised tailored tertiary courses
 - a registration system (as is required of the teaching profession, including requirements for ongoing, appropriate professional learning)

- time and funding to raise the qualifications, professional knowledge and skill levels
- authorities ensuring that principals have the basic business understandings to properly execute their responsibilities and work with school business leaders in the most effective ways possible.

The school business profession's time has come. Recognition and resources are warranted to ensure it receives the status and respect it deserves. 

Compliance

Trial evacuations – a means of avoiding potential disaster

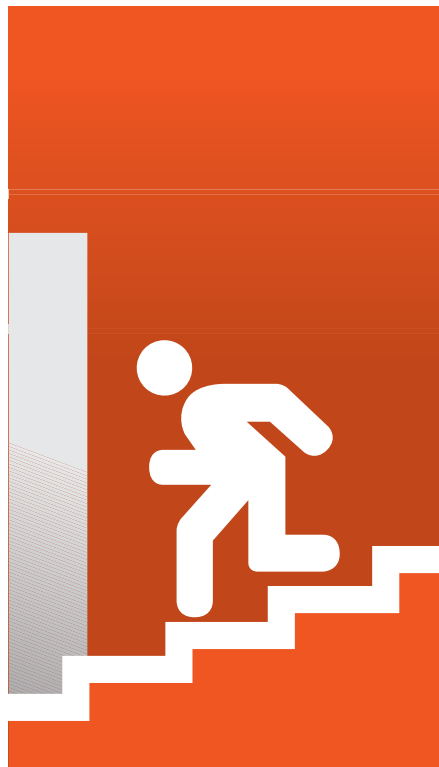
According to **Malcolm Leithhead**, Safety Measures Manager for Emergency Plan (NSW) Pty Limited, many years of observing trial evacuations from ‘facilities’ has provided plenty of opportunity to collect interesting anecdotes.

Facilities’ is, of course, code for a wide range of buildings such as office blocks, factories, warehouses, hotels and, yes, schools.

Saying an anecdote is ‘interesting’ is also a euphemism. It can be that the evacuation was stressful, revealing, inspiring or educational.

Of course trial evacuations are terrific for working out if emergency response equipment works the way it is supposed to and if people know how to use it. Here are some good examples

- In a school with an Emergency Warning Intercommunication System (EWIS), the wardens were asked to use the Warden Intercommunication Point (WIP) phones. At each phone in one of the buildings the wardens found they could neither hear nor speak to the Chief Warden. It was such a simple issue that could have been a disaster in a real emergency. The WIP phones had not been tested as required by the service company. The contract with the service company was reviewed; the WIP test frequency confirmed; tests performed; defects rectified.
- In an office building, occupants entered the fire stairs from upper floors. They filed past the exit door from the fire stairs on the ground floor because the exit light was not lit (and



because they had not been in the stairs before). They soon realised they had gone too far and could not exit the building. While the congestion was soon overcome when one person was brave enough to open the ground floor exit door, the time taken to evacuate was significantly increased. The exit light was fixed, an extra sign was installed informing occupants to exit ‘here’ and many occupants learned where to exit the fire stairs.

For some trial evacuations it is good to have the fire service involved. In some states this is mandatory. They may agree to attend as a training exercise, to become more familiar with the facility or to get to know key personnel. On some occasions the fire services have been an unexpected attendee at trial evacuations:

- While evacuating a large office tower, the occupants were steadily progressing towards the assembly area when a fire truck arrived. It seemed that an occupant, who was unclear that the evacuation was an exercise, had called 000 to report the evacuation. The fire service were very understanding, confirmed that the evacuation was an exercise and observed the completion of the exercise. Current requirements of AS3745:2010 include annual briefings of occupants, which increases their familiarity with evacuation procedures.
- A Chief Warden commenced an evacuation exercise by using the Occupant Warning System (OWS). Although the fire panel was monitored, (to alert the fire services if an alarm occurs) using the OWS does not initiate the fire alarm or call the fire services. As she watched the panel, a simultaneous alarm occurred in the building, engaging the fire panel and calling the fire services. The fire



services arrived, investigated the alarm and confirmed the alarm was 'unwanted'. They even confirmed that the way the OWS had been used would not have activated the alarm. This was a very unusual occurrence that, needless to say, left the Chief Warden nonplussed! It seems that either the fire alarm system had a curiously timed fault or that the movement of a significant number of people had generated sufficient dust to cause a detector to alarm! The service company was unable to explain...

I was once asked how long it is expected to take to evacuate a submarine. Thinking quickly, I observed that it depended on the depth of the submarine at the time. Benchmarking the time to evacuate is a reasonable key performance indicator – as long as it is not taken too far.

- Once, when a hotel was being evacuated, a porter was observed running along a back of house corridor furiously opening and banging on doors and crossing them with chalk to show the rooms had been searched. He appeared to be about to pass out from exertion. Of course if there had been real danger,

e.g. from smoke, the warden may have not behaved this way and sought safety. However, he seemed driven by an urgency to beat the current time set for evacuating. If the Emergency Control Organisation (ECO) acts in a timely manner, there should be time to safely search floors. Another obvious issue was to supply additional wardens to make the search of floors quicker.

- A Chief Warden conducting an evacuation exercise was so keen to beat the current time that he did not track how many floors had reported their status. He left the Master Emergency Control Point to address the occupants at the assembly area. The warden on the fourth floor gave up trying to communicate via the WIP and walked to the assembly area to report – only to find the Chief Warden returning to the building at the head of all the occupants! The Chief Warden subsequently realised the importance of keeping a log of action taken and reports received. He considered recruiting a Communication Officer to support the function.

For each story there is some learning, some improvement, some discovery of inadequacy that reinforces the value of trial evacuations. Perhaps the most understated evacuation 'exercise' came in 1993 when terrorists bombed the World Trade Centre. Everyone knows the terrible events of September 2001 when buildings in the World Trade Centre were destroyed. Fewer realise that the evacuation initiated by the bombing attacks in 1993, provided incredible lessons that eventually saved many lives in 2001.

- Over 1000 people were injured in the 1993 bombings – most during the evacuation!
- The fire stairs were not pressurised, allowing smoke to fill 93 levels of both buildings.
- The main electrical power line failure shut down the emergency lights.
- Power failure trapped hundreds in elevators for hours.

Among the improvements that occurred in response to the aftermath of the 1993 bombings were: Stair wells were pressurised; emergency lights received back up power supplies; regular evacuation training became mandatory. These measures saved many lives in the sad events of September '11.



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Governance

Eleven tips for developing a risk management program

The task of designing and implementing a school's ERM program is more often than not delegated to the Business Manager. For those struggling with the ERM concept **James Field** founder of Complispace has the following tips that have been drawn from over 15 years of experience assisting organisations develop practical enterprise risk management solutions.

1 – Follow the Australian Risk Management Standard ISO AS NZ 31000:2009

Whilst you could do your own thing the Australian Risk Management Standard provides useful guidance for the development of your risk program. If you work with it you will find that you are not on a solo journey as most schools and general commercial organisations in Australia are using this standard.

2 – Embrace a whole of school approach

ERM covers much more than workplace safety and student duty of care based risks. Embracing a whole of school approach allows managers to understand the “big picture” of all key risks affecting their school not just those that are front of mind.

3 – Recognise the relationship between risk and compliance (internal control)

Whilst a compliance program can live without a risk program, a risk program cannot succeed without an effective compliance system to back it up. The Australian Standard for Compliance Programs (AS 3806 – 2006) is a good place to start.

4 – Create a common risk language

The creation of a common risk language (or set of risk categories) is critical to aid the initial risk identification process and to ensure that there is an ongoing reference point for communications and reporting. An effective risk categorisation methodology should be broad enough to differentiate between key functional areas within a school and to capture key external stakeholders as well as external risk events such as changes in economic conditions and acts of nature.

5 – Ensure board and senior management engagement

In order for a risk management program to be successful, from the outset, the board and senior management team must be fully committed and willing to resource the process. Delegating the implementation of a risk program to a business administrator, without top down support, will delay and possibly even derail the process. High level training for the board and senior management team is recommended early in the process in order to ensure engagement and the development of a positive culture which encourages participation in the risk management process and transparency in its outcomes.

6 – Manage your policies and procedures effectively

At the heart of any school are the policies and procedures that have been developed in order to manage its operations efficiently and mitigate risks. These policies and procedures must be written in plain English and must be readily available for staff to reference as and when they are needed. Streamlining the publication and maintenance of policies and procedures creates the platform for the implementation of an effective risk management program.

7 – Embrace workflow technology

Schools have 100's of risks. Given that each of these risks has at least one control very quickly the task of risk management becomes very labor intensive. The use of paper based checklists rarely works well in practice. There are now cost effective technology workflow solutions designed to streamline this process.

8 – Capture key risk indicators

Complaints, workplace injuries, near misses, insurance claims, compliance breaches etc are all examples of key risk indicators. Capture, analyse and report on them because they act as radar to identify real risks within your organisation.


9 – Report up and down

Your school may have 100s of risks however the board of governors won't want to see them all. As a general rule no more than 15 “macro” risks should be reported up to the board. Heads of department and key functional areas will deal with the detail.

10 – Remember ERM is not an exact science

Risk management is all about trying to predict the future. It is not an exact science. It is important to recognise that you are dealing with human beings and there will always be a degree of variation in interpretation throughout the process. Recognising that risk management involves dealing with shades of grey, rather than black and white scenarios, will assist in creating positive outcomes.

11 – Risk management is a journey

Finally it is always important to recognise that risk management is a journey. As with most things in life the planning and initial set up phase is crucial in determining the ultimate success of the project. Build on the right foundations and appropriately resourced and managed a risk management program will deliver significant competitive advantages to those schools that make the commitment to the process 



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ASBA Membership

Professional Development Update

The Professional Development Standing Committee of the ASBA Limited Board continues to be active in developing resources and professional development opportunities for members in accordance with the Board's Professional Development Action Plan 2012-17.

The Committee meets regularly through the year and met most recently in Cairns to review progress with the high priority initiatives that it had identified for 2013. These initiatives are as follows:

ASBA TECHNICAL UPDATE

The Committee has been pleased to welcome technical content partners Deloitte (accounting & business) and Hunt & Hunt (legal) to the ASBA Technical Update bulletin. Readers can look forward to some high quality and topical content from these providers in future editions. Meanwhile, contributions and suggestions from members for this bulletin continue to be both welcomed and appreciated.

PROFESSIONAL ASSOCIATION PARTNERSHIPS

Negotiations are continuing with two significant professional associations with a view to establishing partnership arrangements for the provision of resource libraries and / or professional development courses. If negotiations are successful the Committee is hopeful that arrangements can be finalised and announced to members early in 2014. These additions will complement the existing arrangements that ASBA has with Chartered Secretaries Australia (www.csaust.com).

WEBSITE RESOURCES

The Committee is extremely pleased that the new ASBA website was officially launched at the Cairns Conference. Over the coming months we will be progressively populating the website's professional development pages with valuable member resources. In the interim we encourage all members to become familiar with the website and to ensure that their member details are correct.

ASBA now utilises LinkedIn to deliver a number of website services, including discussion groups and a jobs forum. To access these services members must firstly have an active LinkedIn account and join the ASBA LinkedIn group. It is planned that the ASBA LinkedIn group will increasingly be used for professional collaboration and resource sharing between members.

INTERNATIONAL LINKS

Dialogue with similar international associations is ongoing as the Committee explores ways in which we can better collaborate in sharing professional development resources that are relevant to an Australian context.

Should you have any feedback about the initiatives outlined above, or have any suggestions concerning ASBA professional development activities, please contact the Standing Committee Convenor, Shaun Sargent at ssargent@friends.tas.edu.au.



Government Funding

What can schools expect from the new coalition Government?

Bill Daniels, Executive Director of the Independent Schools Council of Australia, reflects on what schools can expect from the New Coalition Government.

The 2013 Federal election has been run and won by the Coalition. Now we have the Hon Tony Abbott as Prime Minister and a new set of Ministers and a range of reshaped Commonwealth Departments to deal with.

Schools have witnessed over the term of the Rudd/Gillard/Rudd Labor Governments an unprecedented range of policy proposals – some already implemented and some in the pipeline. So what can the schools sector expect from this new conservative Government?

We have a new Education Minister in the Hon Christopher Pyne MP who is also Leader of the House. Supporting Minister Pyne is the Hon Sussan Ley MP as Assistant Minister for Education and Senator the Hon Scott Ryan who has been appointed Parliamentary Secretary to the Minister for Education.

While it is still early days, it is expected that Minister Pyne will handle all higher education matters and have oversight of schools issues. Assistant Minister Ley will have responsibility for Early Childhood and VET in Schools while Senator Ryan, will be responsible for the Chaplaincy Program, youth, school infrastructure, online safety, rural and regional education, National Curriculum and science, technology, engineering and maths (STEM) issues.

The former Department of Education, Employment and Workplace Relations (DEEWR) has been trimmed back to be the Department of Education (DE). The former DEEWR Secretary, Lisa Paul, has been appointed Secretary of the Department of Education.

With respect to indigenous education policy, the Indigenous Education Targeted Assistance Act, Indigenous Early Childhood Centres, Indigenous Boarding Schools and Stronger Futures have moved to the Office of Indigenous Affairs within the portfolio of the Prime Minister, under Minister for Indigenous Affairs, Senator the Hon Nigel Scullion. Abstudy will be administered by the Department of Social Services.

The timing of the election left a great deal of unfinished education policy business associated with the new schools funding model. Hopefully, many unresolved issues will be addressed by Government over the coming weeks as the new Ministerial team settles into managing their portfolios. However, schools understandably remain anxious about funding in 2014 and what can be expected from the new Government.

The Coalition's general commitment to removing unnecessary red-tape and regulation from the Australian Education Act has been welcomed by ISCA. Autonomy remains a core feature of the high quality of education delivered by

more than 1,000 independent schools.

ISCA is looking forward to a more stable political environment and working with Minister Pyne and his ministerial team on a wide range of education related issues, particularly those that will affect the independent schools sector. Minister Pyne has extensive knowledge of the Australian school system and we particularly look forward to working with him to consider ways to simplify the complexities inherent in the new funding arrangements.

Pre-election commitments from the Coalition provide the best guide to what can be expected in the first term of the new Government. Whilst the election campaign did not provide the usual heated debates on education policy, the Coalition has been firm on a number of commitments to schools. These commitments are summarised below.

COALITION PRE-ELECTION COMMITMENTS REGARDING SCHOOL POLICY PRIORITIES

The Coalition has made a commitment to funding certainty for schools by promising to match dollar for dollar the funding offered by the ALP in government under the Better Schools Plan, over the four years of the forward estimates 2014 to 2017.



Commonwealth schools funds committed for school year 2014 will flow to all States and Territories irrespective of whether they have signed a deal with the Government.

The Coalition commits to working cooperatively and constructively with all States and Territories to negotiate a fair and sustainable national funding model.

The main focus of the Coalition's school education policy is education quality, to be achieved through better teaching, more community engagement and more principal autonomy, as well as through fair funding.

Other priority themes include a focus on achieving better outcomes (questioning a direct link between student outcomes and funding levels), needs-based funding and a shift away from centralist control to more local decision making in the operation of schools.

The Coalition has indicated both pre- and post-election, that education will be exempt from savings measures and will keep its overall funding level over the forward estimates.

COMMITMENTS ON PARTICULAR ISSUES

Autonomy

Local decision-making and principal autonomy are major planks of the Coalition's schools education policy.

A Coalition government will encourage state schools to become independent, similar to the Western Australian 'independent public school' model.

The Coalition will establish a \$70 million 'Independent Public Schools Fund' to encourage 25 % of existing public schools to become Independent Public Schools by 2017. This Fund will provide grants directly to a school to assist them in this transition.

The Coalition believes that principals should have more authority to hire staff, make decisions about the curriculum and about extra-curricular activity, decide on priorities and engage parents more in governance.

Principals, school councils and parents will be given access to training and support to successfully become an Independent Public School.

The Coalition will amend the Australian Education Act to ensure that states and

territories keep authority for their schools and dismantle aspects of the legislation that would give the Commonwealth overarching control over school systems.

Capital Funding

The Coalition will give priority to a new capital infrastructure investment program for non-government schools, restoring per student establishment grants, once the budget returns to surplus.

Chaplains

A Coalition government would continue the National School Chaplaincy program to support the emotional wellbeing of students.

Curriculum

The Coalition will refocus ACARA to ensure it is developing the highest possible standard curriculum and establishing a rigorous benchmarking process to compare the Australian Curriculum against the world's best.

The National Curriculum will be reviewed and the consultative process widened, to ensure a curriculum that encourages and fosters choice and diversity.

continued overleaf

Government Funding

What can schools expect from the new coalition Government? *continued*



Early Childhood Education

The Coalition will review the implementation of the National Quality Framework for Early Childhood Education and Care, evaluating particularly the effects of staffing ratios and qualification requirements on the administration and costs of centres

Family Support

A Coalition government will ask the Productivity Commission to undertake a review of child care provision, with the aim of making childcare more accessible, affordable and flexible.

A Coalition government will scrap the Schoolkids Bonus currently paid to eligible families.

The Coalition prioritises parental engagement in its education policy, believing that more local control will open the way for schools to engage more with parents and bring them into the school community.

Indigenous Education

The Coalition commits to working with families to ensure that Indigenous students attend school every day.

International Education

The Coalition acknowledges the importance of international education to Australia and is committed to giving the sector the attention and respect it deserves.

Language Teaching

A Coalition government would work with the states to encourage the compulsory study of at least one foreign language in Year 5 to Year 10 and ensure that at least 40% of Year 12 students are studying a foreign language within a decade.

\$10 million will be committed to trial on-line language training for children at pre-school.

To supply the increased number of language teachers required to meet this commitment a Coalition government would work with universities to make sure language education has high priority, engage with Teach for Australia to actively recruit professionals with language skills and add specialist language teachers to the Skilled Occupation List.

Maths & Science Teaching

The Coalition has committed to focusing on science, technology, engineering and mathematics (STEM) subjects in schools, including continuing the 'Primary Connections' and 'Science by Doing' programs and to increasing investment in science education at primary schools.

The Coalition will seek advice on what universities need to ensure that all teachers graduate with appropriate knowledge in mathematics and science.

Pathways to Teaching

The Coalition will work with the States to explore and promote more flexible and alternative career pathways into teaching within the context of reviewing the professional teaching standards linked to accreditation.

Recurrent Funding

The Coalition will match the Commonwealth recurrent funding committed by Labor to all states and territories, whether or not they have signed an agreement with the Commonwealth, for the forward estimates period 2014-2017.

The Coalition supports the concept of additional loadings for disadvantage, regardless of school attended and is committed to a stable, simple and sustainable approach to needs-based funding that gives schools, teachers and parents certainty for the future.

The Coalition believes the SES measure for needs-based funding for non-government schools is sound and can be improved. In 2014, the Coalition will finalise a common national funding model that gives effect to this approach, within the same funding envelope.

Remote Schools

The Coalition will invest \$22 million to improve reading and writing learning outcomes by adopting flexible teaching methods for students in remote primary schools.

Reporting

The Coalition opposes the establishment of an Australian School Performance entity as unnecessary, claiming it would impose 'more bureaucracy and red tape' on schools and would duplicate the role of the Australian Curriculum, Assessment and Reporting Authority (ACARA).

It is proposed to remove the data reporting and compliance functions from ACARA back to the Department of Education in Canberra.

The Coalition wants to ensure that the National Assessment Programme – Literacy and Numeracy (NAPLAN) is marked and back to parents and teachers



PROFILE

Bill Daniels is Executive Director of the Independent Schools Council of Australia. Prior to serving three years as Deputy Executive Director of the Australian Quarantine and Inspection Service, Bill held several senior appointments in the Commonwealth's education portfolio. He also served as Chief of Staff for Senator John Carrick when he was Minister for Education.



within twelve weeks, and will consult with teachers and the States on options to use NAPLAN tests as a diagnostic tool as intended.

Due to concerns about NAPLAN results being used to 'name and shame' schools a Coalition government will review the MySchool website.

Safe Schools

The Coalition has committed to establishing a Children's e-Safety Commissioner and working with social media operators and the school community to tackle cyber bullying and other harmful online material.

The Coalition will provide funding for grants to schools to offer online safety programs.

The Commissioner will ensure that online safety is included in the National Safe Schools Framework and will establish a voluntary process for the certification of online safety programs within schools.

School Leadership

The Coalition believes strong school leadership will be essential if autonomous systems of schooling are to be successful. A Coalition government will work with the States, professional associations and the schools sector to develop a new school leadership program with a focus on world class school leadership techniques.

The cost of taking the course will be met by employers or the employee.

Secure Schools Program

The Coalition has committed to \$18 million to continue the Secure Schools Program and will continue any funding to schools that has been approved under the latest funding round.

Students with Disability

The Coalition supports the additional loadings for students with disability under the new recurrent funding arrangements that will apply equally to students in government and non-government schools.

A Coalition government will match the Commonwealth funding to extend support for students with disabilities for twelve months, while a new 'loading' formula is developed for these students.

The Coalition will continue the data collection process that has started with the States and Territories so that future funding for students with a disability can be based on each student's level of need.

Teacher Quality

The Coalition has nominated raising teacher quality as one of its highest education priorities. Specific commitments have been made in relation to entry standards, teacher training, ongoing professional development (especially for early career teachers) and shortages in specialist areas.

On entry standards, the Coalition would not cap ATAR scores but would seek to work with universities to develop 'best practice' guidelines to improve admission standards to select the best candidates on a range of qualities and to make teacher preparation more challenging, rigorous, practical and attractive.

The Coalition will establish a Ministerial Advisory Group to provide advice to governments on changes needed

to improve teacher training courses.

This group will be asked to identify the common components of the world's best practice teacher preparation programs, with a particular emphasis on pedagogical approaches, subject content, and the teaching practicum. The Group will be asked to undertake a rigorous benchmarking of Australian courses against world's best practice programs.

The Ministerial Advisory Group will also be asked to review and make suggestions for improvement to the Professional Standards for Teachers that have been developed by Australian Institute for Teaching and School Leadership (AITSL).

While accepting that there is no one approach to literacy teaching for all students, the Coalition has recognised an urgent need for better pre-service education for teaching reading.

The Ministerial Advisory Group will be asked to review the need for language teachers to meet the goal of increasing the number of students studying foreign languages, to make sure language education has a high priority in universities.

Young Carers

The Coalition will establish a Young Carer Bursary Program to assist 150 young carers with annual bursaries valued up to \$10,000 in order to help with the cost of study while caring for a family member.

Further details of the party's education policies can be found at:

www.isca.edu.au



Govern with Confidence

Non-Government Schools' Financial Performance Survey

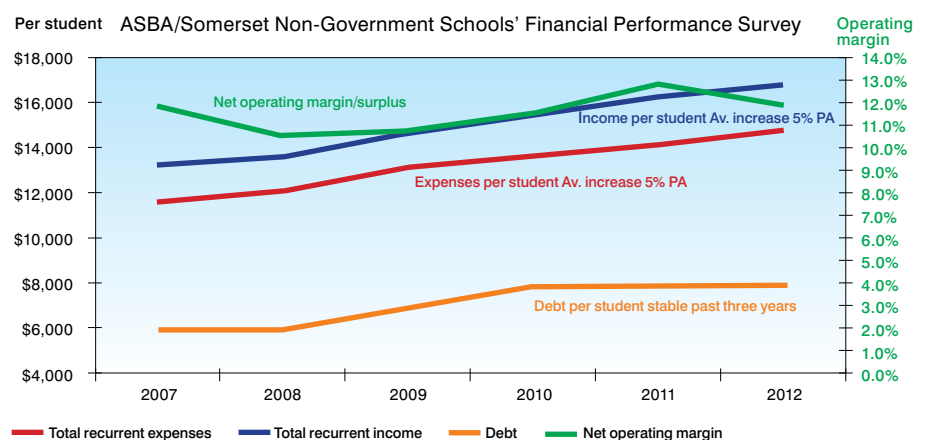
– Trends

According to **John Somerset** costs in independent schools have been increasing by 5 to 7 per cent per annum. Income is likely to increase by 3 to 4 per cent per annum in the medium term. If schools don't manage costs, operating surpluses could reduce and schools may become financially vulnerable.

The annual ASBA/Somerset Non-Government Schools' Financial Performance Survey (FPS) indicates that the average independent school in Australia produces an operating surplus of \$115,000 for every \$1 million of total recurrent income (11.5% Net Operating Margin).

Obtaining and maintaining a cash surplus is mandatory to enable schools to adequately repay debt and replace assets, otherwise they risk financial distress.

The higher a school's debt and need for asset replacement, the higher the required surplus.



MATERIAL COST INCREASES

From 2007 to 2012 (five years) the FPS indicates an increase in teaching staff costs of 24% (4.8% per annum). From lower bases, the FPS also indicates staff cost increases for – specialist support 46% (9% per annum), aides 38% (7.6% per annum), and administration 44% (8.8% per annum). Maintenance costs have also increased by 41% (8% per annum) over that time.

BENCHMARKING WORKS

Based on a group of 20 schools that I have worked with over the past four years to implement ratio analysis and benchmarking into management practices, the average improvement in annual surplus was 48 per cent (higher in the first year).

Each year over 500 schools participate in the FPS. I urge schools to participate/contribute and use this unique industry tool to analyse efficiency and risks and plan improvements where appropriate. 🌟

Figure 1: Trends from the ASBA/Somerset Non-Government Schools Financial Performance Survey



DISCLAIMER

We publish this article only for non-government schools in Australia and New Zealand. All material should be regarded as information only and individuals should rely on their own enquiries when formulating decisions for themselves or their clients. In no way do we warrant or guarantee any changed circumstances for a school from use or non-use of this material.

CONTACT

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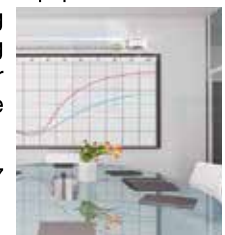
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