
Choice and Affordability Fund

Work Plan 2023–2025

Independent Schools Queensland

Date agreed – October 2023

Summary of Work Plan 2023–2025

This work plan details the commitment of Independent Schools Queensland (ISQ) to meeting the objectives of the Choice and Affordability Fund (CAF), to address specific challenges in the non-government school sector for the period 2023-2025. This work plan outlines activities to broaden the scope of the support provided under *Priority A: Choice and Affordability of Schools*.

In previous years, ISQ has addressed *Priority A* through direct grants to schools by application, to support the delivery of a limited number of projects at a school level, which aligned with the objectives of the CAF Agreement. These projects have delivered meaningful impact at a school level, as reported in ISQ's CAF Annual Reports. Learnings from these projects have also been shared with all represented schools. Following several years of successful project grants, ISQ has taken what has been learnt and most valued by schools and determined that for 2024 and 2025, it is timely to focus on *Priority A* through a number of centralised projects within the following themes:

1. Projects to assist schools in managing their costs, and
2. Projects to assist schools in understanding their market.

As directed by the Commonwealth, this work plan does not address the other priorities that are continuing unchanged, as outlined in the original CAF Agreement.

Careful consideration has been given to project and initiative design, intentionally focusing on activities that can support a broad range of schools at scale. All schools represented by ISQ will be provided with the opportunity to be supported through these initiatives, and ISQ will ensure that all schools are made aware of these opportunities. This will utilise ISQ's existing direct communication channels to school stakeholders (e.g. Principals, Board Chairs, Business Managers), as well as standalone communications, forums and working groups, where appropriate.

Initiative design has been informed by the CAF Guidelines. ISQ is committed to implementing these funds to support the achievement of the national objectives. These projects are designed to assist schools with their financial sustainability and/or planning, in order to facilitate parental choice and opportunity, giving parents the ability to choose an affordable school that will best suit the needs of their individual child. This will also:

- Maintain and improve choice in schooling for Queensland families and competition across the schooling system,
- Maintain and improve opportunity and diversity in the schooling system through a vibrant independent schools' sector in Queensland, and
- Support structural adjustments and planning for schools.

These initiatives have been designed as discrete projects, which go beyond the existing normal service provision by ISQ to represented schools. These projects are contingent on CAF funding. Schools may choose to take up some or all or the offered support, as appropriate to their context and at their discretion. ISQ will, as previously, regularly review the take-up rates of offered support, to monitor any underlying themes that may emerge, and will consider adjusting the approach taken, to ensure maximum impact of these initiatives and achievement of the CAF objectives.

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Overarching Risk Management

ISQ plans to address risk management as a single work program, to ensure that the CAF projects can be delivered efficiently and effectively. The following table outlines identified key risks and mitigation strategies.

Risk	How the risk will be managed
Limited stakeholder engagement or access to project information may limit utilisation of offered support by schools	<p>Project communication and stakeholder engagement will utilise existing ISQ communication structures, including regular electronic newsletters, website updates and stakeholder meetings.</p> <p>Where deeper communication would add value (e.g. where stakeholder input will assist in project design decisions), ISQ will proactively seek stakeholder feedback. This will be done either through existing channels (e.g. as an agenda item at an existing stakeholder meeting) or through standalone engagement (e.g. a discussion group or one-off stakeholder forum).</p>
School utilisation of offered support may be less than expected	<p>Stakeholder engagement (outlined above) will be used to identify key needs of school stakeholders, and projects will be designed to meet those needs.</p> <p>Service utilisation will be monitored and assessed against expectations. Where demand for support is lower than expected despite awareness activities, targeted engagement of stakeholders will be utilised to identify design changes that may improve the ability of schools to benefit from the support.</p>
Supply chain or third-party delivery issues may impact on the timeliness of project delivery	<p>Owing to the time-limited nature of these projects, and the specialist capability required to support these projects, ISQ will need to engage a number of third-party suppliers for the delivery of these activities. Supplier performance will be closely monitored, to ensure that any delivery issues are identified as early as possible.</p> <p>ISQ will exercise appropriate due diligence prior to the engagement of any significant supplier, to ensure that any specific risks are identified and addressed through the engagement process.</p> <p>A phased approach to supplier engagement will be followed where appropriate, to provide ISQ with the flexibility to discontinue engagement with a supplier mid-way through project delivery (e.g. at key milestones).</p> <p>Where it is considered appropriate, ISQ will identify a secondary service provider who can be engaged to assist, in the unlikely event that there are service delivery issues with any engaged supplier.</p>
External events or incidents (e.g. natural disasters) may focus the attention of schools away from utilisation of the offered support	<p>A range of feedback mechanisms will facilitate timely organisational responses to schools' identified needs.</p> <p>Project plans will be flexible, to allow for accelerating or decelerating progress to adapt to disruptions and changes in the external environment.</p> <p>Services will be predominately delivered remotely, allowing schools to access support even where physical access to school sites is limited.</p>

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Key stakeholders

For these projects, ISQ’s stakeholder engagement plan is responsive to the needs of four broad audiences: Principals, Business Managers, School Systems and Other External Stakeholders. The following table outlines the identified key stakeholder groups and engagement strategies.

Stakeholder and interest/impact	Engagement strategy
<p>Principals</p> <p>Principals are key decision-makers at a school level. They can directly influence the realisation of benefits derived by their school through the utilisation of offered support.</p>	<p>ISQ engages with Principals through a wide range of communication channels, including weekly newsletters and a regular program of forums and events, to ensure that ISQ has a deep and broad understanding of the different contexts and circumstances that each school operates in.</p> <p>Principals are also well-represented on ISQ’s governing Board and its Sub-Committees.</p> <p>Principals will be kept abreast of project activities through normal communication channels and forums, and their targeted feedback on key matters will be sought as appropriate.</p>
<p>Business Managers</p> <p>Business Managers are key decision-makers at a school level. They can directly influence the realisation of benefits derived by their school through the utilisation of offered support, and have an in-depth knowledge of their school’s needs.</p>	<p>ISQ engages with Business Managers through a wide range of communication channels, including a regular program of forums and events, to ensure that ISQ has a deep and broad understanding of the different contexts and circumstances that each school operates in.</p> <p>Business Managers will be informed of project activities through normal communication channels and forums, and their targeted feedback on key matters will be sought as appropriate (e.g. through discussion groups, targeted surveys or one-on-one consultation interviews on key topics).</p>
<p>School Systems</p> <p>School Systems (e.g. Anglicans, Lutherans) represent multiple schools and have influence over the realisation of benefits derived by their schools, through the utilisation of offered support.</p>	<p>ISQ engages with School Systems through regular communication channels, including weekly newsletters, one-on-one meetings and quarterly forums, to ensure that ISQ has a deep and broad understanding of the different contexts and circumstances that are relevant to the School Systems who operate in Queensland.</p> <p>School Systems will be informed of project activities through normal communication channels and forums, and their targeted feedback on key matters will be sought as appropriate.</p>
<p>Other External Stakeholders</p> <p>Other external stakeholders, such as government agencies, curriculum authorities, cross-sector stakeholders and other NGRBs are relevant to represented schools, and will be kept abreast of project activities as appropriate, to assist in identifying collaboration opportunities.</p>	<p>ISQ engages with other external stakeholders through regular communication channels, including one-on-one meetings and ongoing operational collaboration, to ensure that they are aware of project activities as relevant to their areas of interest.</p> <p>Targeted feedback from other external stakeholders will be sought on key matters as appropriate, and where potential partnership opportunities emerge, these will be explored.</p>

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Budget for 2023–2025

The budget summary below reports on funds allocated to *Priority A: Choice and Affordability of Schools*, that will be directed towards centralised support for represented schools. It does not include the other priorities that are continuing, as outlined in the original CAF Agreement.

Activities/Initiatives	Expenditure type ¹	2022	2023	2024	2025
A – Choice and Affordability					
<i>Projects to assist schools in managing their costs</i>	Centralised	\$0	\$0	\$450,000	\$400,000
	Distributed	\$0	\$0	\$0	\$0
<i>Projects to assist schools in understanding their market</i>	Centralised	\$0	\$0	\$300,000	\$350,000
	Distributed	\$0	\$0	\$0	\$0
Total for Priority A	Centralised	\$0	\$0	\$750,000	\$750,000
	Distributed	\$0	\$0	\$0	\$0
	Administrative costs²	\$0	\$0	\$0	\$0
	Total expenditure³	\$0	\$0	\$750,000	\$750,000
	Deferred funding	\$0	\$0	\$0	\$0

¹ Please separately identify expenditure on the activity managed centrally by the NGRB (i.e. programs) and funding distributed directly to schools (i.e. grants). Where an NGRB plans to distribute CAF funding to schools, a list of indicative allocations at a school-level should be included in Schedule 1 to this template.

² The NGRB's administrative costs directly associated with implementing the activities. These should not exceed two per cent of total funding over 2020 to 2029. In limited circumstances an NGRB may apply in writing for an increase in allowance.

³ Sum of centralised, distributed, and administrative expenditure

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Expenditure Profile for 2023–2029

This work plan reports on funds allocated to *Priority A: Choice and Affordability of Schools*, that will be directed towards centralised support for represented schools. It does not include the other priorities that are continuing unchanged, as outlined in the original CAF Agreement. This work plan will not change the expenditure profile previously agreed with the Commonwealth and is outlined for completeness only below.

	2023	2024	2025	2026*	2027*	2028*	2029*
NGRB’s total estimated funding allocation as advised by the department	\$9,845,351	\$10,093,372	\$10,396,173	\$10,708,05	\$11,029,300	\$11,360,179	\$11,700,984
NGRB’s estimated Regional Transition Assistance funding allocation as advised by the department	\$4,346,943	\$4,456,449	\$4,590,143	\$4,727,847	\$4,869,682	\$5,015,773	\$5,166,246
Accrued deferred funding from 2020-2022 to be carried forward to 2023 ⁴	\$16,499,528						
Accrued interest earned on funds held in 2020-2022 to be carried forward to 2023 ⁵	\$265,460						
NGRB’s planned expenditure for the relevant year ⁶	\$10,277,928	\$10,409,690	\$11,124,483	\$12,745,716	\$12,723,587	\$12,958,295	\$21,658,706
NGRB’s planned regional transition assistance expenditure for the relevant year ⁷	\$4,346,943	\$4,456,449	\$4,590,143	\$4,727,847	\$4,869,682	\$5,015,773	\$13,970,052
NGRB’s planned deferred funding for the relevant year to be spent in a future year ⁸	\$432,577	\$316,318	\$728,310	\$2,037,658	\$1,694,287	\$1,598,116	
Accrued deferred funding from the relevant year and previous years to be spent in a future year ⁹	\$16,332,411	\$16,016,093	\$15,287,783	\$13,250,12	\$11,555,838	\$9,957,722	

⁴ Please note this is the amount paid by the Department in 2020, 2021 and 2022 that will be carried forward into 2023. The amount in this row should be attributed as expenditure in a future year(s) in the planned expenditure row below.

⁵ Please note this is actual interest earned that will be carried forward into 2023. The amount in this row should be attributed as expenditure in a future year(s) in the planned expenditure row below. If no interest is being brought forward in to 2023, please put N/A.

⁶ Please note this row should include all CAF funding (except amounts spent in 2020 and 2021 and amounts to be spent 2021, noting this work plan will be finalised before the end of 2021) and where applicable, actual interest earned on funds held in 2020, 2021 and 2022 being brought forward in to 2023.

⁷ Please note this row is used to monitor the rate of expenditure to ensure agreed proportions of investment are met.

⁸ Please note this is any amount of CAF funding to be paid by the Department for the relevant year that is not spent in the relevant year. A rationale for deferring funding must be provided below this table. For 2023 to 2025, the amounts in this row should match the Budget for 2023-2025 table above. This row should include deferred CAF funding paid by the Department and, where applicable, for 2023 may include actual interest earned on funds held in 2020 and 2021 being carried forward again into to 2023. For example, an NGRB may plan to defer \$5 million in 2022 and defer another \$5 million in 2023, with the resulting \$10 million to be spent in 2024. This row would show \$5 million in deferred expenditure in 2022, \$5 million deferred in 2023 and then \$0 in 2024.

⁹ Please note this is the total amount carried forward to the next year or any subsequent year and will show the cumulative deferred expenditure from the relevant year and/or previous years that has not yet been spent. This row should include deferred CAF funding paid by the Department and where applicable, actual interest earned on funds held in 2020, 2021 and 2022 being brought forward in to 2023. Continuing the example from the deferred expenditure row where an NGRB may plan to defer \$5 million in 2022 and defer another \$5 million in 2023, with the resulting \$10 million to be spent in 2024. This row would show \$5 million in accrued expenditure in 2022, \$10 million in 2023 and then \$0 in 2024.

Activity/Initiative	Projects to assist schools in managing their costs
Priority	A – Choice and Affordability

Description

Queensland independent schools face economic challenges from a range of factors, including inflationary pressures on cost, and the limited capacity of many parents to absorb increases in tuition fees. This is particularly relevant for low-fee schools, where an increase in fees may place this schooling option out of reach for their community. The independent schooling sector has schools serving extremely disadvantaged communities that charge no fees, including high-needs students with disability attending special schools, Aboriginal and Torres Strait Islander students attending remote indigenous schools, and highly disadvantaged students who have disengaged from mainstream schools.

In response to these challenges, for the benefit of all communities, ISQ will deliver a program of works to assist schools in managing their costs. This activity will directly assist schools to maintain or improve their financial sustainability, and will maintain or improve the choice and affordability for parents.

Projects within this activity will include:

1. School workforce data

The cost of labour is the largest operating cost for most schools. The way that these costs are managed can have a significant impact on a school’s overall financial sustainability.

ISQ will collect relevant, detailed school workforce data from a range of sources, and undertake detailed analysis of this data to develop a range of workforce ratios, benchmarks and time-series data. This data will then be made available to represented schools through a self-service portal that includes easily digestible visualisations, providing schools with actionable insights and assisting them to make informed financial management decisions relating to their workforce composition and costs. Individual schools will only be able to access their own information, as compared to aggregated benchmark data. In addition to this, ISQ intends to undertake meta-analysis of aggregated data to also provide represented schools with sector-level insights, adding additional value to schools to support them with focusing their attention on relevant aspects of their financial sustainability.

2. Group procurement arrangements

Individually, many independent schools do not have the buying power to make significant reductions in their non-labour costs. However, ISQ has the opportunity to achieve cost reductions for represented schools through the establishment of group procurement arrangements. These arrangements would be available for all represented schools to purchase from, with more favourable terms than may otherwise be available to an individual school.

As well as lower purchasing costs, this initiative will aim to reduce the administrative costs of individual schools, who will not need to each undertake their own procurement process. This drives lower operating costs for schools, which will consequently have less need to increase school fees, leading to better affordability and availability of choices for families.

Some standing offer arrangements may encompass several different options rather than following a “one size fits all” approach. Depending on the procurement category, this may be needed to cater for the differing needs of independent schools and the communities they serve.

This initiative will involve:

- consultation with represented schools to understand their differing needs
- research and engagement with the supplier market

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- designing a procurement strategy to deliver on the intended objectives
- facilitating a formal procurement process, reflecting the procurement strategy
- negotiation and contracting with the supplier/s who best meet the needs of represented schools
- communicating the details of the arrangement to represented schools, to ensure they are aware of the arrangement and are able to realise the benefits of it, if they choose.

Categories that will be addressed through this initiative are likely to include the purchase of motor vehicles, grounds maintenance, premises security services, ICT devices, insurance and telecommunications.

3. **Compliance management platform**

Ongoing management of compliance is known to be a key issue facing independent schools, who operate within an extensive regulatory framework. These obligations often require significant effort to comply with at a school level, including associated record-keeping.

Regulatory obligations stem from a range of sources, including requirements for accreditation as a non-State school, child protection regulations, privacy laws, workplace safety regulations and employer obligations.

Through this initiative, ISQ will seek to streamline the compliance management processes for individual schools, through the establishment of a compliance management platform. The objective of this is to ensure that compliance management processes in use are the best possible fit for independent schools' needs, covering the full range of regulatory obligations, as well as reductions in administrative costs and time, removing the need for each school to entirely reinvent their own individual system and process.

This platform would be tailored to the needs of independent schools, with appropriate links to incident reporting, policy content, employee attestations, record-keeping and training records. This leads to more effective governance practices, risk management and oversight, having a positive effect on operating costs and affordability.

The platform would be available to all represented schools, though its use would not be mandated.

Eligible schools

All represented schools will have access to this support.

Timeframes

This work will be undertaken over the period 2024 to 2025.

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Outcomes

Objectives/expected outcomes	Indicators of success
Schools will be supported to reduce costs, improve their long-term financial sustainability, and improve their affordability	By 2025, at least 50 schools are supported through the projects to assist schools in managing their costs By 2025, 80% of schools which receive support report success in reducing costs, improving their long-term financial sustainability, and/or improving their affordability

Activity/Initiative	Projects to assist schools in understanding their market
Priority	A – Choice and Affordability

Description

Queensland independent schools operate in a fast-changing landscape, and must continue to stay abreast of changing demographic, social and economic circumstances. As the environment changes, schools must continually reassess their strategy and underlying business model, and make informed decisions about when to change direction. The ability of schools to respond to changes in their external environment is a key factor in whether a school can navigate these changes sustainably, and continue to provide the services that their community needs.

In response to these challenges, for the benefit of all communities and to best meet the CAF objectives, ISQ will deliver a program of works to assist schools in understanding their markets. This activity will directly assist schools to maintain or improve their financial sustainability, and will maintain or improve the choice and affordability for parents.

Projects within this activity will include:

1. Geographic data visualisation tool

A school’s market has a necessarily geographic dimension. It is of critical importance to a school to understand the changing demographics of their target market and the geographic area they operate in, as well as the areas where their students come from. This includes factors such as:

- Age demographics and projections for each year level
- Family socio-economic circumstances, occupations and income levels
- Family backgrounds, including indigeneity and religious, cultural and linguistic diversity
- Student disability and other additional needs

These factors have a necessarily geographic dimension. ISQ will collect relevant, detailed geographic data from a range of sources, and undertake detailed analysis of this data to develop a range of geographic data visualisations. This data will then be made available to represented schools through a self-service portal that provides actionable insights, and assisting them to make informed strategic and tactical decisions that relate to their market and to the student cohorts that they cater for.

This tool may be used by a school to inform cohort planning, long-term financial projections, transport route planning and campus planning. Ultimately this knowledge will assist schools to assess their strategic plans and their business model, supporting structural adjustments and long-term financial sustainability.

2. Standardised survey platform

Schools value feedback from all stakeholder groups, to understand different perspectives about how the school is operating, where it is succeeding, and where improvements can be made. Where possible, schools can seek to facilitate a formal feedback process, to ensure that stakeholders have an opportunity to be heard, and that management decisions can be made that responds to the feedback. This is frequently delivered through an online survey tool, which can be either developed in-house or purchased as a service from an external supplier.

Through this initiative, ISQ will provide represented schools with a standardised survey platform, with a pre-defined bank of survey questions, which schools can utilise to gauge community sentiment. This could be used for surveys of parents, staff, students, and the broader community, to better understand the perspectives of different stakeholder groups. Where schools use standard questions,

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this could over time build up a dataset that informs benchmarks, which can provide additional value to schools.

This initiative will aim to reduce the administrative cost of surveys for individual schools, as well as to ensure that schools have access to a survey platform which is tailored for the needs of independent schools, and is simple to utilise. These insights will position schools to better serve the needs of their students and communities.

Where schools utilise the standardised survey platform, ISQ would expect that represented schools would have access to reliable data about stakeholder perspectives, which informs their strategic decision-making and assists them to adjust their business model, supporting structural adjustments and long-term financial sustainability.

Eligible schools

All represented schools will have access to this support.

Timeframes

This work will be undertaken over the period 2024 to 2025.

Outcomes

Objectives/expected outcomes	Indicators of success
Schools will be supported to better understand their market, improve their long-term financial sustainability, and improve their affordability	By 2025, at least 50 schools are supported through the projects to assist schools in understanding their market By 2025, 80% of schools which receive support report success in better understanding their market, improving their long-term financial sustainability, and/or improving their affordability

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2023-25 CAF Workplan NGRB Sign Off

This 2023-25 CAF Workplan is submitted in fulfillment of the workplan requirement in part 4 of the CAF Agreement and I understand that, once approved, the work plan forms Attachment A to the CAF Agreement.

**Name and Position of the person
signing off on behalf of the NGRB¹⁰:**



Christopher Mountford
Chief Executive Officer
Independent Schools Queensland

26 October 2023

¹⁰ Name and position of the person within the NGRB with sufficient authority to sign off.