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National School Resourcing Board  
,  
Annual review of state and territory compliance with   
section 22A of the Australian Education Act 2013

2023 funding year

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# Glossary

| Term | Definition |
| --- | --- |
| **Approved authorities** | Legal entities that can receive Australian Government recurrent funding for one or more schools. |
| **Approved system authorities (systems)** | Approved authorities for more than one school that distribute funding according to their own needs-based funding arrangement. This includes state and territory governments. |
| **Australian Curriculum**, **Assessment and Reporting Authority (ACARA)** | An independent statutory authority that provides advice on national curriculum, assessment, and reporting to all Australian education ministers. |
| **Australian Government Department of Education** | Commonwealth department that creates opportunities and drives better outcomes through access to quality education and learning. |
| **Bilateral agreements** | Agreements under the National School Reform Agreement between each state and territory and the Commonwealth that sets out actions to improve student outcomes. The agreements also set out minimum state and territory funding contribution requirements as a condition of receiving Commonwealth school funding. |
| **Funding Estimation Tool (FET)** | Provides government approved system authorities with data on each system’s schools, modified by the Department of Education as needed to reflect updates to its source data, such as school census returns. |
| **Immaterial shortfall** | A state or territory is not considered non-compliant if its reported contribution falls short by an amount. This is included in bilateral agreements (except for the ACT), which stipulate that 0.6% of the total SRS for a sector, or another amount agreed by the Commonwealth Minister for Education, is considered ‘immaterial’. |
| **Mitigating factors/circumstances** | Described in the *Guidance to Reporting* – factors that may have contributed to a funding shortfall, including (but not limited to):   * fluctuations from year-to-year in funding * unintended and unexpected budget pressures * fluctuations in enrolment numbers or student characteristics * significant differences in allocated funding compared to actual school expenditure that is outside the control of state governments. * financial accounting impacts (e.g. new accounting standards such as AASB 16 (Leases)) * unfinalised adjustments to required shares in bilateral agreements * unforeseeable circumstances (e.g. natural disasters). |
| **National School Reform Agreement (NSRA)** | A joint agreement between the Commonwealth, states and territories to lift student outcomes across Australian schools. |
| **Net Recurrent Income  Per Student (NRIPS)** | The base instrument for measuring state and territory contributions to schools. |
| **Schooling Resource Standard (SRS)** | **An estimate of how much total public funding a school needs to meet its students’ educational needs.** |
| **Year T** | **The calendar year on which funding is being reported. For this report, Year T is 2023.** |
| **Year T+1** | **The year following Year T. For this report, Year T is 2023, so Year T+1 is 2024.** |

# Executive summary

The *Australian Education Act 2013* (the Act) requires the National School Resourcing Board (the Board) to undertake an annual review of state and territory compliance with section 22A of the Act (s 22A). This section of the Act requires states and territories to meet minimum school funding contributions for the government and non-government sectors as a condition of Commonwealth financial assistance.

States and territories’ minimum school funding shares are set out in s 22A. These are standard unless the jurisdiction’s bilateral agreement under the National School Reform Agreement (NSRA) 2018-23 specifies otherwise. All states and territories’ funding arrangements with the Commonwealth are set out in their respective bilateral agreements.

Under the terms of reference for this review, the Board is required to consider and provide its assessment relating to the compliance of a state or territory with s 22A, subject to the terms of that jurisdiction’s bilateral agreement, including:

* whether the reported state or territory funding for the given year equals or exceeds the minimum funding contribution requirements under s 22A for both government and non‑government sectors
* any contributing or mitigating circumstances
* suggestions for adjustments to current reporting processes that impact the ability of a state or territory to comply with the requirements under s 22A.

The Board is to take into account mitigating circumstances that have contributed to non-compliance, for example:

* fluctuations in funding which could be assessed through, for example, the application of a three year rolling average if funding has fallen below the required amount
* unintended and unforeseeable budget pressures in the state budget process
* unforeseeable circumstances such as natural disasters
* fluctuations in enrolment numbers or student characteristics that exceed what could be reasonably anticipated
* significant differences in funding provided to schools compared to actual school allocation or school expenditure, that is outside the control of state governments.[[1]](#footnote-2)

The Board based its review on certified annual reports and accompanying information provided by the jurisdictions. It was guided by the requirements of the department’s *Guidance to reporting – state and territory funding contribution requirements* (*Guidance to Reporting*) and found that all states and territories provided annual reports consistent with the department ’s *Guidance to Reporting*, with some clarifications required.

Each jurisdiction engaged independent assurers to complete compliance engagements under the *Standard on Assurance Engagements ASAE 3100 Compliance Engagements* standards. The Board noted some minor delays to deadlines and issues around provision of certified data for some jurisdictions.

The Board offered all states and territories the opportunity to discuss compliance issues and provide feedback about the reporting process, and subsequently met with 3 jurisdictions. The Board also sought expert advice to assist the Board with its review and undertook desktop research to support its analysis.

The Board’s assessment, supported by the expert advice, is that 6 states and territories (Australian Capital Territory, New South Wales, Queensland, South Australia, Tasmania and Western Australia) were compliant with their funding obligations for the government sector under s 22A for the 2023 funding year. All states and territories were compliant with their funding contributions for the non-government sector.

The Board considers that the Northern Territory and Victoria were non-compliant with their legislated minimum funding contributions to the government sector for the 2023 funding year. The Northern Territory reported a shortfall in funding to the government sector of 1.64%, while Victoria recorded a shortfall of 1.67% for funding to the government sector.

After careful consideration, the Board recognises an ongoing trend of non-compliance over 4 years from the Northern Territory, and while mitigation measures have been put in place, further attention and action are required to ensure the jurisdiction can demonstrate measurable progress towards consistently meeting its funding obligations.

While the Board acknowledges the challenging context in which the Northern Territory operates, it is the Board’s expectation that the Northern Territory can evidence progress on the impact of its mitigating strategies to address issues of repeated non-compliance in its next annual report to the Australian Government. This may include reconsideration of the reporting methodology to be applied.

The Board considers that the mitigating circumstances provided by Victoria relating to their material shortfall appear reasonable.

# Findings

## Finding 1

The majority of jurisdictions met the reporting timeline of 30 November 2024 for the submission of their annual report for the 2023 funding year, with some minor delays and process variations that were later addressed.

## Finding 2

All states and territories provided annual reports within the Australian Government Department of Education’s current *Guidance to Reporting*.

## Finding 3

All jurisdictions have completed the required reasonable assurance processes by engaging an independent auditor to complete their compliance engagement under the *Standard on Assurance Engagements ASAE 3100 Compliance Engagements* in accordance with the *Guidance to Reporting*.

## Finding 4

The Board found that, for the government sector, 6 out of 8 states and territories were compliant with their minimum funding requirements for the 2023 funding year under section 22A of the *Australian Education Act 2013*.

## Finding 5

The Board found that for the non-government sector, all states and territories were compliant with their minimum funding requirements for the 2023 funding year under section 22A of the *Australian Education Act 2013*.

## Finding 6

The Board found that the Northern Territory was non-compliant with its minimum contribution requirements for the government sector for the 2023 funding year, as the reported share was lower than the required share under its bilateral agreement (by 1.64%).

## Finding 7

The Board recognises an ongoing trend of non-compliance over the past 4 years. While the Northern Territory has put in place mitigating measures, further attention and action are required to ensure the jurisdiction can demonstrate measurable progress towards consistently meeting its funding obligations. This may include reconsideration of the reporting methodology to be applied.

## Finding 8

The Board found that Victoria was non-compliant with minimum contribution requirements for the government sector for the 2023 funding year, as the reported share was lower than the required share under its bilateral agreement (by 1.67%). The Board found that Victoria’s mitigating factors were reasonable.

## 

1. Introduction
   1. The task

Under the *Australian Education Act 2013* (the Act) the National School Resourcing Board (the Board) is responsible for undertaking independent reviews of arrangements and requirements relating to funding for schools.[[2]](#footnote-3) These reviews help ensure public confidence in the funding model.

Section 128(6A) of the Act requires the Board to conduct an annual review of state and territory compliance with Section 22A (s 22A) which requires the states and territories meet minimum school funding contributions, and sections 35A and 35B (s 35A and B) require the Australian Government to meet minimum school funding contributions.

The s 22A review focusses on state and territory funding obligations.

Section 22A outlines the requirements for minimum state and territory funding contributions for the government and non-government sectors. As a condition of Commonwealth financial assistance, states and territories must meet minimum school funding contributions agreed as part of the bilateral agreements that support the National School Reform Agreement (NSRA) 2018-23. These agreements also include the approach to measuring these contributions and treatments for immaterial shortfalls, and the ability for jurisdictions to provide commentary on mitigating or contributing circumstances that have affected compliance.

The Board was first commissioned in October 2019 to undertake an annual review of state and territory compliance with s 22A. The terms of reference for the review ask the Board to consider funding compliance for each calendar year, mitigating factors that may have contributed to any non-compliance, and recommended adjustments to reporting processes. The terms of reference are at Appendix A.

While the Board assesses each state and territory’s compliance with s 22A, it does not have a role in providing recommendations on potential compliance action by the Minister. Under the Act, the Minister has the discretion to determine compliance and any sanctions.

* 1. The review process

The Secretariat, on behalf of the Board, commissioned expert audit advice to inform the Board’s assessment (see Appendix B).

In accordance with the terms of reference, the Board consulted with states and territories during this review. The Board offered all states and territories the opportunity to discuss compliance issues and subsequently met with 3 jurisdictions.

States and territories were offered the opportunity to provide feedback on the Board’s draft report and to provide additional information for inclusion in the report (see Appendix C – State and territory responses).

* 1. Background on school funding in 2023

### Public funding for schools in Australia

State and territory governments are responsible for delivering school education in their jurisdictions. The Australian Government supports the delivery of school education through the provision of funding. The Australian Government is the majority funder for the non-government sector, while the states and territories are the majority funder for the government sector.

Funding to schools is provided by both the Australian Government and all state and territory governments, as agreed through the NSRA 2018-23 and each jurisdiction’s bilateral agreement. The amount of funding is calculated using the Schooling Resource Standard (SRS).

### The Schooling Resource Standard

The SRS is designed to help overcome educational disadvantage and ensure that schools are adequately resourced to cater for the needs of all students. It is an estimate of how much total public funding a school needs to meet its students’ educational needs.[[3]](#footnote-4)

The Australian and state and territory government contributions are set as a percentage of the total SRS for each sector. This allows for variation due to enrolment numbers, indexation and student or school characteristics.

The SRS estimates funding at the individual school level and includes:

* a base amount for every primary and secondary student
* six loadings to provide extra funding for disadvantaged students and schools.

The formula to calculate a school’s SRS is outlined in Part 3, Division 2 of the Act.

Figure 1: The SRS determines total public funding for schooling

The exhibit depicts the base per student amounts and loadings that comprise the Schooling Resource Standard (SRS).
The SRS provides a base amount for every primary and secondary student discounted for non-government schools according to the school community's capacity to contribute, and six loadings that provide extra funding for disadvantaged students and schools.
Five of the loadings are expressed as a percentage applied per student for a school or system and include loadings for students with disability, students with low English proficiency, Indigenous students, students with socio-educational disadvantage, students in regional and remote areas. The sixth loading is a set dollar amount per school based on school size.  
Source. Developed by the National School Resourcing Board based on the *Australian Education Act 2013*

### Australian Government funding arrangements

The Act is the mechanism through which the Commonwealth provides funding to state and territory treasury departments to distribute to approved authorities. Approved authorities are legal entities who receive Australian Government recurrent funding for one or more schools. Australian Government funding is allocated to approved authorities based on the SRS.

In 2023, the Australian Government was moving towards consistently funding:

* 20 per cent of the SRS for government schools
* 80 per cent of the SRS for non-government schools.

Where necessary, the Australian Government is increasing funding incrementally to meet the targets of at least 20 and 80 per cent by 2023. Where the Commonwealth is funding above the target amounts, the amount will transition to the agreed target percentage by 2029 at the latest.

### State and territory government funding arrangements

The Act requires state and territory governments to contribute a minimum amount of funding at a total sector level to each of the government and non-government school sectors, in order for that state or territory to receive the Australian Government contributions. All states and territories have agreed with the Australian Government regarding how to calculate required shares.

The state and territory bilateral agreements, originally signed in 2018 (with some agreements revised in 2021-22), also included an agreed funding transition pathway for the government and non-government sectors for each calendar year from 2018 to 2023. Each state or territory was expected to contribute minimum funding using the appropriate shares in their agreed transition pathways and the SRS for the appropriate sector.

State and territory governments have discretion to fund above these requirements.

1. Reporting requirements

Section 35 (s 35) of the *Australian Education Regulations 2023* (the Regulations) requires that states and territories report annually to the Secretary of the Australian Government Department of Education (the department) on the funding they provide to government and non-government schools. They must also report to the Australian Curriculum, Assessment and Reporting Authority (ACARA) to enable the publication of school level financial data on *My School*.[[4]](#footnote-5)

To assist states and territories in meeting their reporting obligations under s 35 of the Regulations, the department publishes *Guidance to reporting – state and territory funding contribution requirements* (*Guidance to Reporting*) on its website.[[5]](#footnote-6) The document is updated, in consultation with all jurisdictions, to reflect changes made to processes as a result of the Board’s findings and recommendations.

Reporting for this review for the 2023 funding year is based on the *Guidance to Reporting* published on the department’s website in April 2024 (see *Appendix D – Guidance to reporting state and territory funding contribution requirements*).

The *Guidance to Reporting* requires that all jurisdictions:

* report to the Commonwealth by 30 November each year on funding requirements for the previous year
* provide ‘evidence that the amount has been certified and is consistent with the agreed methodology as set out in the bilateral agreement through a reasonable assurance engagement in line with the Australian Auditing and Assurance Standards’
* report leases against Australian Accounting Standards Board Standard AASB 16 Leases (AASB‑16)
* separately identify and attribute by sector (where possible) any education regulatory costs agreed in the jurisdiction’s bilateral agreement
* only count school education reform costs that are new, time-limited expenditure provided for the benefit of school education
* quantify, and where possible, certify each mitigating factor through the reasonable assurance engagement.
  1. Compliance with reporting timeframes

Consistent with s 35 of the Regulations, the Board found that 6 states and territories met the agreed reporting timeline of 30 November 2024. Victoria provided its report on 2 December 2024 and Queensland provided its report on 11 December 2024. Both states provided the department with prior notice that their reports would be delayed.

Table 1: Assessment of jurisdictions’ meeting reporting timeframes

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | ACT | NSW | NT | QLD | SA | TAS | VIC | WA |
| Submitted by 30 November 2024 | **P** | **P** | **P** | **O**  (Submitted 11 December 2024) | **P** | **P** | **O**  (Submitted 11 December 2024) | **P** |

The Board considers, while there were minor delays by 2 jurisdictions in providing their annual reports, the current reporting process is mature, and all jurisdictions made efforts to ensure their annual report meets the Australian Government’s reporting timeframes.

| Finding 1  The majority of jurisdictions met the reporting timeline of 30 November 2024 for the submission of their annual report for the 2023 funding year, with some minor delays and process variations that were later addressed. |
| --- |

* 1. Annual report contents and pro forma

The *Guidance to Reporting* requires jurisdictions to submit their annual reports using a pro forma template or edited template to cover the same evidence and relevant issues. The table below outlines whether each state and territory correctly completed the pro forma required under the *Guidance to Reporting*.

Table 2: Assessment of jurisdictions’ annual reports against the *Guidance to Reporting*

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | ACT | NSW | NT | QLD | SA | TAS | VIC | WA |
| Pro forma completed by jurisdiction | **P** | **P** | **#** | **P** | **P** | **P** | **P** | **P** |
| # NT submitted its annual report where Table 2.1 was not completed | | | | | | | | |

The Board observes that all jurisdictions used the pro forma template to complete their annual report and provided information to the Board consistent with the reporting guidelines.

Seven out of 8 jurisdictions provided complete lists of data sources with their annual reports. The Northern Territory did not initially provide a complete list of the ‘Table 2.1 - Certification of funding types’ in its annual report, as the non-government section was not included in the list.

The Board, through the Australian Government Department of Education, requested further information from the Northern Territory to ensure that all reporting requirements were met.

The Board found that all data sources used by all jurisdictions to calculate contributions for both the government and non-government sectors were certified by their independent assurer as part of the compliance engagement.

| Finding 2  All states and territories provided annual reports within the Australian Government Department of Education’s current *Guidance to Reporting*. |
| --- |

1. Assurance

The department updated the Guidance to Reporting following the Board’s report for the 2018 funding year to require states and territories to provide ‘evidence that the amount has been certified and is consistent with the agreed methodology as set out in the bilateral agreement through a reasonable assurance engagement in line with the Australian Auditing and Assurance Standards.

In this context, the term ‘reasonable assurance’ has a specific meaning. According to the Auditing and Assurance Standards Board (AUASB), reasonable assurance means a high, but not absolute, level of assurance. Compliance with AUASB standards such as *Standard on Assurance Engagements ASAE* 3100 *Compliance Engagements* (ASAE 3100), also carries a range of detailed obligations addressing issues such as evidence, ethics, independence and quality control.[[6]](#footnote-7)

The Board’s assessment is that all the states and territories completed the required assurance process for the 2023 funding year by engaging an independent auditor to undertake a ‘reasonable assurance engagement’.

All jurisdictions engaged independent qualified accountants to complete reviews under the requirements in *ASAE 3100*. Each state and territory received a certification from the independent assurer that they provided to the department with their annual report. All reports and certifications provided by the independent assurers met the requirements of *ASAE 3100*.

This is the fourth year in which all jurisdictions have met this revised assurance requirement, providing the Board with a consistent and high level of assurance to support its consideration of compliance.

| Finding 3  All jurisdictions have completed the required reasonable assurance processes by engaging an independent auditor to complete their compliance engagement under the *Standard on Assurance Engagements ASAE 3100 Compliance Engagements* in accordance with the *Guidance to Reporting*. |
| --- |

1. Funding compliance

The department’s *Guidance to Reporting* requires jurisdictions use a prescribed base methodology for measuring recurrent expenditure in calculating their funding contributions.

The base methodology used for measuring state and territory contributions is the adjusted Net Recurrent Income per Student (NRIPS) component of the ACARA financial data reporting methodology. It is important to note that under the bilateral agreements, certain other expenditure types (additional expenditure) can be included as part of a state or territory’s funding contribution in addition to NRIPS. The tables in Appendix E – Jurisdictions’ reporting provide further information on agreed inclusions in bilateral agreements with states and territories.

For each expenditure item included in bilateral agreements, each state and territory should include evidence that the amount has been certified and is consistent with the agreed methodology as set out in the bilateral agreement through a reasonable assurance engagement in line with the Australian Auditing and Assurance Standards.

* 1. Overview of the funding methodology

The reporting processes for provision of financial data to the department and ACARA by states and territories are separate but interrelated, as both include NRIPS data (calculated using the ACARA methodology) as a key financial measure. The department and ACARA guidelines prescribe the timeframes for required reporting and assurance activities.

States and territories report financial data and NRIPS for government schools to ACARA for the calendar year (Year T), generally by October each year following the funding year (Year T+1). At the same time, the department reports NRIPS data for the non-government school sector to ACARA. These data are then reviewed, and quality assured by ACARA and the approved independent quality assurance practitioner.

### Base methodology

To avoid duplication, the instrument for determining s 22A contributions leverages the existing ACARA *My School Financial Reporting* framework. This was developed by ACARA to enable nationally consistent reporting of school income information for the purposes of the *My School* *website*. Its key financial measure is NRIPS, which forms the basis of the adjusted methodology for measuring contributions under s 22A.

### Adjusted methodology

To measure state and territory contributions under s 22A, the ACARA methodology was adjusted to account for differences in the delivery of education across jurisdictions. The adjustments differ between jurisdictions and are set out in their bilateral agreements.

The *Guidance to Reporting* alsorefers to adjustments made to the base methodology for counting state and territory contributions. This includes:

* My School adjustments to remove year 1 minus 2 (referred to by states as preschool, preparatory or kindergarten) and full-fee-paying overseas students, which do not attract funding under the SRS
* use of allocated or actual funding
* other expenditure counted (e.g. from other government agreements)
* impact of AASB 16 (Leases)
* additional expenditure and adjustments (e.g. how funding in the 4% cap is counted and what proportion).

### Reported minimum funding contributions

A state or territory’s minimum funding contributions for a funding year are calculated based on its **required share** of the SRS for that year, as outlined in its bilateral agreement, and final student enrolments.

* 1. Compliance with funding obligations

Section 22A of the Act, in conjunction with each state or territory’s bilateral agreement, provides the percentage of SRS funding that needs to be contributed for both government and non-government schools, respectively.

The Board has assessed all jurisdictions’ funding contributions in their annual reports. The table below outlines whether each state and territory has met or exceeded their funding contributions for government and non-government schools and whether they used the 0.6% immateriality threshold, respectively.

Table 3: Assessment of jurisdictions’ funding obligations for the 2023 funding year

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Sector** |  | **2023 Funding Year** | | | | | | | |
| **ACT** | | **NSW** | **NT** | **QLD** | **SA** | **TAS** | **VIC** | **WA** |
| Government | C | | C | NC | C | IS | C | NC | C |
| Non-government | C | | C | IS | IS | C | C | IS | C |
| C = compliant IS = within immaterial shortfall NC = non-compliant | | | | | | | | | |

### Government sector

The Board found that 6 out of 8 jurisdictions met their minimum funding requirements for the government sector in 2023. Detailed reporting, including total contributions is included in Appendix E.

Figure 2 displays SRS contributions to the government sector by comparing the required SRS funding share to jurisdictions actual contributions, as well as the variance between actual and required conditions.

Figure 2: Jurisdictions’ SRS contributions for the government sector

The Board found that 6 out of 8 states and territories fell within the 0.6% immateriality clause, meeting or exceeding their agreed funding contribution amounts for government schools in the 2023 funding year. In Figure 2, where a jurisdiction has fallen below the bilaterally agreed immaterial shortfall (0.6%) of their SRS target, the variance is noted in red.

The Northern Territory and Victoria were non-compliant with minimum funding requirements for the government sector (see section 4.4 for details). Figure 2 also shows South Australia recorded an immaterial shortfall for the government sector (see section 4.3 for details).

| Finding 4  The Board found that, for the government sector, 6 out of 8 states and territories were compliant with their minimum funding requirements for the 2023 funding year under section 22A of the *Australian Education Act 2013.* |
| --- |

### Non-government sector

Figure 3 displays the contributions for the non-government sector by all jurisdictions.

Figure 3: Jurisdictions’ SRS contributions for the non-government sector

The Board considers that all states and territories met or exceeded their agreed funding contribution amounts for non-government schools in the 2023 funding year. As Figure 3 refers, the Board notes the Northern Territory, Queensland and Victoria reported immaterial shortfalls.

| Finding 5  The Board found that, for the non-government sector, all states and territories were compliant with their minimum funding requirements for the 2023 funding year under section 22A of the *Australian Education Act 2013.* |
| --- |

* 1. Immaterial shortfalls

### Immateriality clause

At the time of their reporting, six out of eight states and territories fell within the 0.6 per cent immateriality clause, met or exceeded their agreed funding contribution amounts for government schools in the 2021 funding year. A table of jurisdictions’ required and reported funding is at Appendix E.

Under the bilateral agreements, 7 of the 8 jurisdictions agreed to an immaterial shortfall clause, which is calculated as 0.6% of the total SRS. As the Australian Capital Territory does not have an immaterial shortfall clause in its bilateral agreement, it is considered non-compliant if its reported contribution falls short by any amount (see section 4.1 and Appendix E for details).

The bilateral agreements outline the immaterial shortfall accounts for the timing constraint of state budget processes being finalised in advance of the year, and the required contribution for the reporting year being finalised at the end of the year following the annual School Census.

The Board notes that 4 of the 7 eligible jurisdictions recorded immaterial shortfalls as allowed under their bilateral agreements. South Australia had an immaterial shortfall for its contribution to the government sector and the Northern Territory, Queensland, and Victoria recorded immaterial shortfalls for their non-‑government sector contributions for the 2023 funding year (Figure 2 and Figure 3).

### Government sector

#### South Australia

South Australia recorded an immaterial shortfall of 0.36%, which is below the threshold for the immateriality clause in its bilateral agreement. On this basis, the Board found South Australia compliant in its government funding obligations.

### Non-government sector

#### Northern Territory

The Northern Territory recorded an immaterial shortfall of 0.60%, which is the maximum threshold for the immateriality clause in its bilateral agreement. On this basis, the Board found the Northern Territory compliant in its non-government funding obligations.

#### Queensland

Queensland recorded an immaterial shortfall of 0.03%, which is below the threshold for the immateriality clause in its bilateral agreement. On this basis, the Board found Queensland compliant in its non-government funding obligations.

#### Victoria

Victoria recorded an immaterial shortfall of 0.55%, which is below the threshold for the immateriality clause in its bilateral agreement. On this basis, the Board found Victoria compliant in its non‑government funding obligations.

* 1. Non-compliance with funding obligations

In line with each jurisdiction’s bilateral agreement, a state or territory is considered non-compliant if its funding shortfall exceeds the immaterial threshold (0.6%) of the total SRS funding. In such cases, the department’s template offers jurisdictions opportunities to explain their mitigating circumstances.

### Contributing or mitigating factors

The review’s terms of reference and the department’s *Guidance to Reporting* outline that the Board may take into account mitigating factors that have contributed to non-compliance:

* fluctuations from year- to- year in funding which could be assessed through, for example, the application of a three-year rolling average if funding has fallen below the required amount
* unintended and unforeseeable budget pressures in the state budget process
* financial accounting impacts (e.g. actuarial assessments and timing of expenditures due to reporting dates)
* fluctuations in enrolment numbers or student characteristics that exceed what could have been reasonably anticipated
* significant differences in funding provided to schools compared to actual school allocation or school expenditure, that is outside the control of state governments
* mitigation or rectification processes proposed by the state or territory
* other unforeseeable circumstances (e.g. natural disasters)[[7]](#footnote-8)

### Northern Territory

The Northern Territory was non-compliant with its funding contributions for the government sector for the 2023 funding year, as its SRS reported funding contribution of 57.36% was 1.64% lower than the required minimum contribution of 59% (Table 3 and Figure 2). Considering the 0.6% immateriality threshold, the shortfall for the government sector was 1.04%.

The Northern Territory cited an underspend of $15.43 million on staffing costs due to acute teacher shortages. A similar mitigating circumstance was provided for their shortfalls for the 2021 and 2022 funding years.

Representatives from the Northern Territory met with members of the Board on 10 February 2025 and provided a presentation on the jurisdiction’s non-compliance which noted:

* the unique context in which the jurisdiction delivers education including: servicing 1% of the student population over 17% of Australia’s land mass, a disproportionate number of disadvantaged students and 44% of students identifying as Aboriginal
* the geographical and demographical challenges facing the jurisdiction in terms of providing education services particularly to remote and very remote locations where 40% of their students undertake their schooling
* the impact of national teacher shortages and the impact of commentary on teacher safety and security in remote areas. The teacher shortage led to the underspend. This has been a consistent issue for the last four years in terms of being non-compliant with their spending requirements
* the use of the expenditure methodology, rather than the allocation methodology which equated, in a measurement sense, to the non-compliance
* moving forward the Better and Fairer Schools Agreement provides additional funding and they are focused on attraction and recruitment of staff, retention and improved workforce initiatives to improve the learning and teaching experience.

Table 4 shows the Northern Territory has not been compliant with its funding contributions for the government sector since 2020.

Table 4: History of the Northern Territory’s funding compliance for government and non-government sectors

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Sector** | **Funding Year[[8]](#footnote-9)** | | | | | |
| **2018** | **2019** | **2020** | **2021** | **2022** | **2023** |
| Government | C | C | NC | NC | NC | NC |
| Non-Government | C | C | IS | C | IS | IS |
| C = compliant IS = within immaterial shortfall NC = non-compliant | | | | | | |

The Board observes a recurring pattern of non-compliance for the Northern Territory’s contributions to the government sector.

During discussions with the Board, representatives from the Northern Territory outlined:

* the shortfall in spending for 2023 was carried forward at the individual school level in 2024
* from 2025 onwards unspent monies will be carried forward and spent on schools but will not be passed directly to the individual schools
* the Territory has been exploring the roles that teaching support and allied health professionals can play into the future as they explore different workforce models to deliver better student outcomes. For example, 80 new support staff being provided to schools in

Alice Springs which have improved educational outcomes and attendance.

| Finding 6  The Board found that the Northern Territory was non-compliant with its minimum contribution requirements for the government sector for the 2023 funding year, as the reported share was lower than the required share under its bilateral agreement (by 1.64%). |
| --- |

While the Board acknowledges the challenging context in which the Northern Territory operates, it is the Board’s expectation that the Northern Territory can evidence progress on the impact of its mitigating strategies in its next annual report to the Australian Government to address issues of repeated non-compliance.

|  |
| --- |
| Finding 7  The Board recognises an ongoing trend of non-compliance over the past 4 years. While the Northern Territory has put in place mitigating measures, further attention and action are required to ensure the jurisdiction can demonstrate measurable progress towards consistently meeting its funding obligations. This may include reconsideration of the reporting methodology to be applied. |

### Victoria

Based on the information provided in the annual report, Victoria was non-compliant with its funding contributions for the government sector (Table 3 and Figure 2).

The state’s reported funding contribution (68.76%) is lower than the required share reported in its bilateral agreement (70.43%). After allowing for the immaterial shortfall, Victoria’s contributions were 1.07% lower than the minimum requirement.

The funding shortfall has been attributed to mitigating factors experienced by the state due to fluctuations in student characteristics that exceed what was anticipated and differences between what was allocated and timing differences in the state budget process.

#### Changes during 2022-23

Victoria notes that it allocated funding for the 2023 school year in the 2022-23 State Budget in May 2022. At the end of 2022, the SRS target increased due to increases in the SRS indexation rate from 3% to 4.3% by $125.9 million.

At the end of 2022, Victoria advised it was able to increase expenditure in the education sector to meet the new target for minimum contributions which shifted funding from $8.959 billion to   
$9.085 billion.

At the end of 2023, the SRS target increased significantly due to higher-than expected data on students with disability enrolments and shifted the funding to $9.23 billion. Victoria advised that it did not have the ability to allocate or spend additional funding prior to the end of the reporting period.

The Board met with Victorian government representatives to discuss Victoria’s funding obligations under s 22A of the Act, as well as the mitigating factors.

The Board notes the mitigating factors provided by Victoria related to conditions created by significant differences in fluctuations in student characteristics that exceeded what was anticipated and differences between what was allocated and expended by the government schools in conjunction with timing differences in the state budget process. These are consistent with those circumstances outlined in the terms of reference for the review.

Under the terms of reference, the Board can consider fluctuations from year-to-year in funding as part of a jurisdiction’s mitigating circumstances. The Board further notes that Victoria was compliant with the s 22A requirements in the previous years (2021 and 2022). Victoria has a 3-year average difference of -0.48% immaterial shortfall, within the allowed 0.6% immaterial threshold.

Table 5 shows Victoria’s funding contributions for the government sector for the past 6 years (2018 to 2023 funding years).

Table 5: History of Victoria’s funding compliance for government and non-government sectors

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Sector** | **Funding year[[9]](#footnote-10)** | | | | | |
| **2018** | **2019** | **2020** | **2021** | **2022** | **2023** |
| Government | C | NC | C | C | IS | NC |
| Non-government | IS | IS | IS | C | C | IS |
| C = compliant IS = within immaterial shortfall NC = non-compliant | | | | | | |

The Board found that Victoria met the funding requirements for the government sector for most of the reported years, i.e. the 2018, 2020-22 funding years. In addition, the Board understands Victoria has been proactive in managing its school funding requirements and has demonstrated its commitment in implementing changes in their internal budget processes to meet its future funding obligations.

Based on the above reasons, the Board considers that Victoria’s mitigating factors appear reasonable.

| Finding 8  The Board found that Victoria was non-compliant with minimum contribution requirements for the government sector for the 2023 funding year, as the reported share was lower than the required share under its bilateral agreement (by 1.67%). The Board found that Victoria’s mitigating factors were reasonable. |
| --- |

# Appendix A – Terms of reference[[10]](#footnote-11)

The *Australian Education Act 2013* (the Act) sets out conditions of financial assistance for state and territories (states) to receive Commonwealth financial assistance for government and non-government schools in that state or territory. This includes default requirements for minimum state funding contributions for the government and non-government sectors under section 22A of the Act.

Section 22A of the Act provides that a payment of financial assistance under the Act to a state is subject to the total amount of funding provided by the state for a year for:

* government schools located in the state equalling or exceeding the state contribution amount for government schools in the state for the year.
* nongovernment schools located in the state equalling or exceeding the state contribution amount for nongovernment schools in the state for the year.

Bilateral school education reform agreements (bilateral agreements) have been agreed as part of the new national schooling reform arrangements. Bilateral agreements take account of states’ individual circumstances, and each bilateral agreement outlines the state’s commitments to the implementation of reforms. The agreements include agreed minimum state funding contributions, as well as the agreed approach to measuring these contributions and treatment for immaterial shortfall, for the government and non-government sectors where arrangements vary from the default calculations set out in section 22A of the Act.

The total amount of funding provided by the state for a year will be calculated in accordance with the methodology set out in a state’s bilateral agreement.

The National School Resourcing Board (the Board) has been established under section 128 of the Act. Subsection 128(7) requires an annual independent review of compliance by states with section 22A of the Act.

Consistent with the Act, the annual review will assess total funding for the government and non-government at the sector level, not school level. States will continue to have the discretion to allocate funding to schools according to their own funding distribution models.

**Scope**

The Board will consider and provide its assessment relating to compliance by a state subject to the terms of its bilateral agreement, including:

1. Whether the reported state funding for the given year equals or exceeds the minimum funding contribution requirements under section 22A of the Act for both government and non‑government sectors
2. Contributing or mitigating circumstances
3. Suggestions for adjustments to current reporting processes that impact the ability of states to comply with the requirements under section 22A of the Act.

**Contributing or mitigating circumstances**

The Board is to take into account mitigating factors that have contributed to non-compliance. This may include, but is not be limited to, the following:

* fluctuations from year-to-year in funding which could be assessed through, for example, the application of a three year rolling average if funding has fallen below the required amount. This may include consideration of funding in the previous or subsequent year, to the assessment year, where funding provided or budgeted for schools is above minimum requirements. The additional funding provided in the previous years could be considered a mitigating/contributing circumstance for the shortfall experienced in the assessment year. Evidence of future Budgets could also assist the Board in assessing compliance.
* unintended and unforeseeable budget pressures in the state budget process
* other unforeseeable circumstances (e.g. such as natural disasters)
* fluctuations in enrolment numbers or student characteristics that exceed what could have been reasonably anticipated
* significant differences in funding provided to schools compared to actual school allocation or school expenditure, that is outside the control of state governments
* financial accounting impacts (e.g. actuarial assessment and timing of expenditure due to reporting dates)
* mitigation or rectification processes proposed by the state or territory
* other relevant circumstances, supported by data and information from the relevant jurisdiction.

The Board should also have regard to the timing of state budget processes and recognise jurisdictions may set budget appropriations for schools in advance of the state funding contribution amount being finalised based on actual data for the year.

The Board may make a finding of compliant or non-compliant taking into account immaterial shortfalls and mitigating factors.

The Board does not have a role in providing recommendations on potential compliance action by the Minister. Under Section 110 of the Act, the Minister has discretion to determine compliance and any sanction action.

Consistent with the terms of reference, the Board will produce a final report containing assessments of overall compliance for each state.

**Information to support the reviews**

The bilateral agreements require states to provide the Australian Government Department of Education with annual reports demonstrating their compliance with section 22A of the Act for a year for the government and non-government sector by 30 November of the following year (unless otherwise set out in the bilateral agreement).

States may also provide any additional information they wish to have considered in the assessment of compliance.

This information will be provided to the Board along with any additional information on context and mitigating factors that the Board requests to support its deliberations.

States will not usually be required to report separately to the Board. If the Board seeks additional information from states, a formal request will be made by the Australian Government Department of Education, consistent with the arrangements outlined in section 65 (1)(aa) of the Australian Education Regulations 2023.

**Consultation**

The Board will consult with states and territories in undertaking its review, including consultation with the Education Council, and may also consult with other parties as required.

The Board will provide relevant sections of the draft review report to each state and territory, who will have the opportunity to provide further information for the Board’s consideration. States and territories may request that their response, if any, is included as an annexure to the final report.

**Timing**

The Board is expected to provide its final report to the Australian Government Minister for Education by April, 2 years following the reported year.

The Minister will invite the Chair of the Board to present the report to the Education Council.

# Appendix B – Review process

On 4 October 2019, the then Australian Government Minister for Education, the Hon Dan Tehan MP, commissioned the Board to undertake annual independent reviews of state and territory compliance with s 22A of the *Australian Education Act 2013.* The Board has an enduring terms of reference that reflect its legislated responsibility to conduct this annual review process.

To complete its assessment, the Board reviewed each state and territory’s annual report and any additional information provided to the Board, as well as considered expert financial audit advice. The Board also offered states and territories the opportunity to provide feedback on the draft report, particularly in relation to their funding contributions and reporting processes. Representatives from the Northern Territory, Tasmania and Victoria met with the Board.

In line with the terms of reference, the Board also provided the draft report to jurisdictions and welcomed any further information. Both the Northern Territory and Victoria took the opportunity to provide responses to be included in Appendix C.

National School Resourcing Board members

Professor Bronwyn Fredericks (Deputy Chair) Professor John Firth  
Professor Janet Clinton Professor Lee Anne Perry AM  
Ms Valerie Gould Professor Andrew Whitehouse

Expert financial audit advisor

The Board acknowledges and thanks BellchambersBarrett for their advice and assistance with the conduct of this review.

Review Secretariat

A secretariat from the Australian Government Department of Education supported the Board in the conduct of its business and the review process.

Ms Helen Stitt, Assistant Secretary Ms Emma Freeman, Acting Assistant Secretary  
Ms Jessica Overdijk, acting Director Ms June Fan, Assistant Director  
Ms Jeanie Mackinder, Assistant Director Ms Anne Perusco, Assistant Director  
Ms Sophie Jacobsen, Assistant Director Mr Tom Zeitlhofer, Policy Officer

# Appendix C – State and territory responses

### Northern Territory

Response from the Minister for Education, Hon Jo Hersey MLA

* For the 2023 funding year, the Northern Territory (NT) met its Bilateral Agreement required share of the Schooling Resource Standard (SRS) for the non-government schooling sector.
* For the 2023 funding year, the Northern Territory reported a funding contribution lower than the required share of the SRS (59%) under its bilateral agreement (by 1.64%) [for the government schooling sector].
* The NT reports its SRS contribution on the expenditure methodology which is impacted by a range of external factors outside the control of the jurisdiction. The NT notes that other jurisdictions report on the allocation methodology.
* When taking into account the schools and support services employee underspends against the NTs approved ‘in scope’ budget, a factor largely outside the control of the Territory, and with the inclusion of the immaterial allowance, the NT would have been compliant with the required SRS contribution.

### Victoria

A letter of a paper with text

AI-generated content may be incorrect.

A close-up of a letter

AI-generated content may be incorrect.

# Appendix D – Guidance to reporting state and territory funding contribution requirements

A cover of a report

Online version can be found at https://www.education.gov.au/australian-education-act-2013/resources/guidance-reporting-state-and-territory-funding-contribution-requirements

A document with text on it

Online version can be found at https://www.education.gov.au/australian-education-act-2013/resources/guidance-reporting-state-and-territory-funding-contribution-requirements


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# Appendix E – Jurisdictions’ reporting[[11]](#footnote-12)

### Australian Capital Territory

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Funding** | **Government sector ($M)** | **Government sector %** | **Non-government sector ($M)** | **Non-government sector %** |
| **Total SRS** | 800.916 |  | 298.146 |  |
| **Required contribution** | 640.733 | 80 | 59.629 | 20 |
| **Reported contribution** | 714.894 | 89.26 | 59.629 | 20 |
| **Allowed immaterial shortfall** | N/a | N/a | N/a | N/a |
| **Utilised immaterial shortfall** | N/a | N/a | N/a | N/a |
| **Material shortfall** | N/a | N/a | N/a | N/a |
| **Total Shortfall** | N/a | N/a | N/a | N/a |
| **Cap on inclusions** | N/a | N/a | N/a | N/a |
| **Regulatory costs** | N/a | N/a | N/a | N/a |

### New South Wales

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Funding** | **Government sector ($M)** | **Government sector %** | **Non-government sector ($M)** | **Non-government sector %** |
| **Total SRS** | 16,036.009 |  | 6,172.867 |  |
| **Required contribution** | 11,581.205 | 72.22 | 1,393.216 | 22.57 |
| **Reported contribution** | 12,873.228 | 80.28 | 1,443.253 | 23.38 |
| **Allowed immaterial shortfall** | -96.216 | -0.6 | -37.037 | -0.6 |
| **Utilised immaterial shortfall** | N/a | N/a | N/a | N/a |
| **Material shortfall** | N/a | N/a | N/a | N/a |
| **Total Shortfall** | N/a | N/a | N/a | N/a |
| **Cap on inclusions** | 641.440[[12]](#footnote-13) | 4.0 | N/a | N/a |
| **Regulatory costs** | N/a | N/a | N/a | N/a |

### Northern Territory

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Funding** | **Government sector ($M)** | **Government sector %** | **Non-government sector ($M)** | **Non-government sector %** |
| **Total SRS** | 999.023 |  | 263.561 |  |
| **Required contribution** | 589.423 | 59 | 39.771 | 15.09 |
| **Reported contribution** | 573.082 | 57.36 | 38.197 | 14.49 |
| **Allowed immaterial shortfall** | -5.994 | -0.6 | -1.581 | -0.6 |
| **Utilised immaterial shortfall** | -5.994 | -0.6 | -1.581 | -0.6 |
| **Material shortfall** | -10.347 | -1.04 | N/a | N/a |
| **Total shortfall** | -16.341 | -1.64 | N/a | N/a |
| **Cap on inclusions** | 39.961[[13]](#footnote-14) | 4.0 | N/a | N/a |
| **Regulatory costs** | N/a | N/a | N/a | N/a |

### Queensland

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Funding** | **Government sector ($M)** | **Government sector %** | **Non-government sector ($M)** | **Non-government sector %** |
| **Total SRS** | 12,041.060 |  | 4,396.871 |  |
| **Required contribution** | 8,339.638 | 69.26 | 904.876 | 20.58 |
| **Reported contribution** | 8,759.397 | 72.75 | 903.563 | 20.55 |
| **Allowed immaterial shortfall** | -72.246 | -0.6 | -26.381 | -0.6 |
| **Utilised immaterial shortfall** | N/a | N/a | -1.313 | -0.03 |
| **Material shortfall** | N/a | N/a | N/a | N/a |
| **Total Shortfall** | N/a | N/a | N/a | N/a |
| **Cap on inclusions** | 481.642[[14]](#footnote-15) | 4.0 | N/a | N/a |
| **Regulatory costs** | 86.231 | N/a | N/a | N/a |

### South Australia

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Funding** | **Government sector ($M)** | **Government sector %** | **Non-government sector ($M)** | **Non-government sector %** |
| **Total SRS** | 3,659.900 |  | 1,569.508 |  |
| **Required contribution** | 2,744.925 | 75 | 309.507 | 19.72 |
| **Reported contribution** | 2,731.713 | 74.64 | 362.496 | 23.1 |
| **Allowed immaterial shortfall** | -21.959 | -0.6 | N/a | N/a |
| **Utilised immaterial shortfall** | 13.212 | -0.36 | N/a | N/a |
| **Material shortfall** | N/a | N/a | N/a | N/a |
| **Total shortfall** | 13.212 | -0.36 | N/a | N/a |
| **Cap on inclusions** | 146.396[[15]](#footnote-16) | 4.0 | N/a | N/a |
| **Regulatory costs** | 24.392 | N/a | N/a | N/a |

### Tasmania

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Funding** | **Government sector ($M)** | **Government sector %** | **Non-government sector ($M)** | **Non-government sector %** |
| **Total SRS** | 1,200.450 |  | 466.200 |  |
| **Required contribution** | 889.293 | 74.08 | 93.240 | 20 |
| **Reported contribution** | 917.714 | 76.45 | 93.455 | 20.05 |
| **Allowed immaterial shortfall** | -7.203 | -0.6 | -2.797 | -0.6 |
| **Utilised immaterial shortfall** | N/a | N/a | N/a | N/a |
| **Material shortfall** | N/a | N/a | N/a | N/a |
| **Total Shortfall** | N/a | N/a | N/a | N/a |
| **Cap on inclusions\*** | 48.018[[16]](#footnote-17) | 4.0 | N/a | N/a |
| **Regulatory costs** | 9.189 | N/a | N/a | N/a |

### Victoria

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Funding** | **Government sector ($M)** | **Government sector %** | **Non-government sector ($M)** | **Non-government sector %** |
| **Total SRS** | 13,105.111 |  | 5,261.798 |  |
| **Required contribution** | 9,229.930 | 70.43 | 1,052.360 | 20 |
| **Reported contribution** | 9,011.285 | 68.76 | 1,023.183 | 19.45 |
| **Allowed immaterial shortfall** | -78.631 | -0.6 | -31.571 | -0.6 |
| **Utilised immaterial shortfall** | -78.631 | -0.6 | -29.177 | -0.55 |
| **Material shortfall** | -140.014 | -1.07 | N/a | N/a |
| **Total shortfall** | -218.645 | -1.67 | -29.176,852 | -0.55 |
| **Cap on inclusions** | 524.204[[17]](#footnote-18) | 4.0 | N/a | N/a |
| **Regulatory costs** | 103.990 | N/a | N/a | N/a |

### Western Australia

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Funding** | **Government sector ($M)** | **Government sector %** | **Non-government sector ($M)** | **Non-government sector %** |
| **Total SRS** | 5,932.734 |  | 2,065.551 |  |
| **Required contribution** | 4,449.551 | 75 | 413.110 | 20 |
| **Reported contribution** | 4,673.774 | 78.78 | 417.499 | 20.21 |
| **Allowed immaterial shortfall** | -35.596 | -0.6 | -12.393 | -0.6 |
| **Utilised immaterial shortfall** | N/a | N/a | N/a | N/a |
| **Material shortfall** | N/a | N/a | N/a | N/a |
| **Total Shortfall** | N/a | N/a | N/a | N/a |
| **Cap on inclusions** | 237.309[[18]](#footnote-19) | 4.0 | N/a | N/a |
| **Regulatory costs** | N/a | N/a | N/a | N/a |

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Western Australia Bilateral Agreement, NSRA, viewed 6 February 2025 at <https://www.education.gov.au/download/4379/western-australia-bilateral-agreement/30034/western-australia-bilateral-agreement/pdf>

1. p.2. National School Resourcing Board, Terms of Reference: Review of state and territory compliance with section 22A of the Australian Education Act 2013, viewed 15 January 2025 at https://www.education.gov.au/national-school-resourcing-board/resources/22a-terms-reference-document [↑](#footnote-ref-2)
2. *Australian Education Act 2013* s 128 at <https://www8.austlii.edu.au/au/legis/cth/consol_act/aea2013210.rtf> [↑](#footnote-ref-3)
3. The SRS is based on recommendations from the 2011 Review of Funding for Schooling–Final Report. D Gonski, K Boston, K Greiner, C Lawrence, B Scales and P Tannock (2011)*,* Australian Government Department of Education, Employment and Workplace Relations: Canberra. [↑](#footnote-ref-4)
4. *Australian Education Regulations 2023* at <https://classic.austlii.edu.au/cgi-bin/download.cgi/au/legis/cth/consol_reg/aer2023319> [↑](#footnote-ref-5)
5. Guidance to Reporting - State and Territory Funding Contribution Requirements, Viewed 6 February 2025 at <https://www.education.gov.au/download/4691/guidance-reporting-state-and-territory-funding-contribution-requirements/37112/guidance-reporting-state-and-territory-funding-contribution-requirements/pdf> [↑](#footnote-ref-6)
6. Auditing and Assurance Standards Board, *Standard on Assurance Engagements ASAE 3100 Compliance Engagements* – ASAE 3100, February 2017, viewed on 6 February 2025 at <https://www.auasb.gov.au/admin/file/content102/c3/asae_3100_9-09-08.pdf> [↑](#footnote-ref-7)
7. p.2, National School Resourcing Board, Terms of Reference - Annual review of state and territory compliance with section 22A of the *Australian Education Act, 2013*. [↑](#footnote-ref-8)
8. National School Resourcing Board, 2018-22, *Annual review of state and territory compliance with section 22A of the Australian Education Act 2013*, Viewed 13 February 2025 at https://www.education.gov.au/national-school-resourcing-board/annual-review-state-and-territory-funding-contributions [↑](#footnote-ref-9)
9. National School Resourcing Board, 2018-22, *Annual review of state and territory compliance with section 22A of the Australian Education Act 2013*, Viewed 13 February 2025 at https://www.education.gov.au/national-school-resourcing-board/annual-review-state-and-territory-funding-contributions [↑](#footnote-ref-10)
10. The enduring Terms of Reference were issued by the then Minister for Education, the Hon Dan Tehan MP, in 2019, to initiate the Board’s annual s 22A reviews. The first review covered the 2018 funding year. [↑](#footnote-ref-11)
11. The following tables were created by the expert financial audit advisor as part of its assessment of each state and territory’s annual report [↑](#footnote-ref-12)
12. New South Wales can include additional expenditure up to 4% of the total SRS for the government sector each year for capital depreciation and NSW Education Standards Authority. (Bilateral clause 25(a)) [↑](#footnote-ref-13)
13. The Northern Territory can include: additional expenditure up to 4% of the total SRS for the government sector each year for depreciation, direct school transport, and early childhood; plus reform costs. (Bilateral clause 49) [↑](#footnote-ref-14)
14. Queensland can include: additional expenditure up to 4% of the total SRS for the government sector each year for capital depreciation and direct school transport; plus all regulatory funding provided by the government for the purpose of Queensland Curriculum and Assessment Authority; and reform costs. (Bilateral clause 31) [↑](#footnote-ref-15)
15. South Australia can include: additional expenditure up to 4% of the total SRS for the government sector each year for depreciation on assets and direct school transport; plus regulatory funding for SACE Board of South Australia and Education Standards Board and reform costs. (Bilateral clause 40) [↑](#footnote-ref-16)
16. Tasmania can include: additional expenditure up to 4% of the total SRS for the government sector each year for direct student transport costs and depreciation; plus regulatory funding for the Office of the Tasmanian Assessment, Standards and Certification and the Teachers Registration Board and reform costs. (Bilateral clause 40) [↑](#footnote-ref-17)
17. Victoria can include: additional expenditure up to 4% of the total SRS for the government sector each year for depreciation of capital assets and the School Bus Program for rural and regional Victoria; plus funding for curriculum and regulation activity including the Victorian Curriculum and Assessment Authority and Victorian Registration and Qualifications Authority, and reform costs. (Bilateral clause 32) [↑](#footnote-ref-18)
18. Western Australia can include: additional expenditure up to 4% of the total SRS for the government sector each year for capital depreciation, direct school transport and kindergarten; plus regulatory funding for the School Curriculum and Standards Authority and the (former) Department of Education Services’ regulatory functions, and reform costs. (Bilateral clause 34) [↑](#footnote-ref-19)