

APPENDIX 7: BILATERAL AGREEMENT BETWEEN VICTORIA AND THE COMMONWEALTH ON SCHOOLS REFORM

Preliminaries

1. The State of Victoria (Victoria) and the Commonwealth acknowledge the Traditional Owners of the lands and waters on which Australians live, learn and work, and pay respects to their Elders past, present and emerging.
2. This Bilateral Agreement satisfies the condition in paragraph 22(2)(b) of the *Australian Education Act 2013* (the Act) requiring each state and territory to be party to an agreement with the Commonwealth relating to the implementation of school education reform.
3. Aboriginal and Torres Strait Islander cultures and knowledges are fundamental to shaping and improving education systems and outcomes for Victoria's Aboriginal and Torres Strait Islander students. Victoria and the Commonwealth commit to ensuring that the implementation of this Bilateral Agreement is undertaken in a way that will enliven the priority reforms of the *National Agreement on Closing the Gap*.
4. Victoria and the Commonwealth acknowledge that Australia has a strong education system, but it can be better and fairer. To do that, governments and school systems need to ensure every student is supported to succeed so that no one is held back or left behind.
5. Victoria and the Commonwealth reaffirm their commitment to the vision for Australian schooling outlined in the *Alice Springs (Mparntwe) Education Declaration* for a world class education system that encourages and supports every student to be the very best they can be, no matter where they live or what kind of learning challenges they may face.
6. The *Better and Fairer Schools Agreement – Full and Fair Funding 2025-2034* (Heads of Agreement) sets out the shared intention of the Parties to the Heads of Agreement to work in partnership to improve education outcomes for all Australian students and build on the capability and capacity of the education workforce. This Bilateral Agreement represents the initial 2 years of a long-term bilateral agreement and outlines the first phase of actions and activities that Victoria will undertake to achieve these shared objectives. The long-term bilateral agreement will be agreed in 2026.
7. This Bilateral Agreement between Victoria and the Commonwealth will commence on signature, with retrospective effect from 1 January 2025 and will expire on 31 December 2026, unless a variation is agreed in accordance with clause 28 of the Heads of Agreement. This Bilateral Agreement is part of the broader replacement of the *Interim School Funding Agreement 2025*, including Schedule D Appendix 1 (Interim Bilateral Agreement 2025).
8. Following the expiry of this Bilateral Agreement, a new bilateral agreement will commence from 1 January 2027 unless otherwise agreed in accordance with the processes specified in clause 26 to 29 of the Heads of Agreement.
9. The terms of this Bilateral Agreement do not limit Victoria's and the Commonwealth's ability to agree different terms as part of a future bilateral agreement. Any variations to this Bilateral Agreement will be in accordance with clause 28 of the Heads of Agreement.

10. For the avoidance of doubt, clauses 7 to 9 of this Bilateral Agreement do not limit either Party to pursue variations to, or withdrawal from, either this Bilateral Agreement or the Heads of Agreement in accordance with clauses 26 to 30 of the Heads of Agreement.
11. Should the Commonwealth provide more favourable funding terms to another state or territory (with the exception of the Northern Territory) as part of the Heads of Agreement or a bilateral agreement, then the Commonwealth will offer Victoria those terms as well and, if agreed by Victoria, this Bilateral Agreement will be updated accordingly. For the avoidance of doubt, Victoria will receive an equivalent Commonwealth Schooling Resource Standard (SRS) funding percentage point uplift at least equal to that negotiated with other jurisdictions (with the exception of the Northern Territory).
12. Clause 11 of this Bilateral Agreement also includes but is not limited to:
 - a. an adjustment to the measurement of state and territory funding contribution included in another jurisdiction's bilateral agreement (with the exception of the Northern Territory)
 - b. any agreement the Commonwealth makes with any other state or territory which favourably impacts on that state or territory's financial contributions, reporting arrangements or risk sharing arrangements under the agreement.
13. In either of these cases, these terms will also be made available to Victoria, and this Bilateral Agreement will be updated to take into account the adjustment or material change to circumstance.
14. This Bilateral Agreement may also be updated through written agreement of the Commonwealth Education Minister and the Victorian Education Minister if there is a material change in Victoria's circumstances, beyond its reasonable control, which will affect Victoria's fiscal position or the recognition of the State's funding contribution, in accordance with the process in clause 28 of the Heads of Agreement.

PART 1 — PURPOSE, OBJECTIVES, OUTCOMES AND IMPROVEMENT MEASURES

15. Victoria and the Commonwealth acknowledge that a high-quality school education is critical to ensuring that Victoria's students will succeed in an increasingly complex world. Australia's future stability and economic prosperity is reliant on a high-quality, equitable and inclusive school system.
16. This Bilateral Agreement sets out the first phase of a long-term reform agenda, including reform activities to be undertaken during its term to give effect to national Objectives, Outcomes and Reforms outlined in the Heads of Agreement.
17. As per clause 65 of the Heads of Agreement, the Parties seek to deliver upon the following Objectives:
 - a. Equity and excellence – schools and education systems are equipped to provide all students with highly effective evidence-based teaching and equitable learning opportunities and support them to maximise their learning.
 - b. Wellbeing for learning and engagement – schools take a structured approach to wellbeing for learning in a way which reflects their school and learning environment, and students have a sense of belonging, safety and engagement with their learning.
 - c. A strong and sustainable workforce – the workforce is respected and continues to grow, and teachers and non-teaching school staff are supported to innovate and be at their best to ensure young Australians thrive in their education. A sustainable workforce means that the Australian community recognises the value teachers and school leaders bring to students, communities and the economy.
18. This Bilateral Agreement reiterates Victoria's and the Commonwealth's ambition and commitment to work together to contribute, along with other states and territories, to the national achievement of the national Objectives, Outcomes and Improvement Measures specified in the Heads of Agreement. While Victoria and the Commonwealth are committed to this, Commonwealth funding to Victoria under the Act is not conditional on the achievement of these Objectives, Outcomes and Improvement Measures in the Heads of Agreement or this Bilateral Agreement.
19. As per clause 41 of the Heads of Agreement, Victoria and the Commonwealth acknowledge that there are a range of external factors and services outside the scope of this Bilateral Agreement and education settings more generally that may impact schools, students and their learning.

Improvement Measures

20. Victoria commits to:
 - a. the national Improvement Measures outlined in the Heads of Agreement and to pursuing an upward trend of improvement over the term of the Heads of Agreement in these measures in the Victorian context

- b. tracking and reporting its progress towards the Improvement Measures' national targets in its Annual Implementation Report to the Commonwealth, where the Commonwealth does not separately have access to the data, consistent with reporting obligations in Part 5 of the Heads of Agreement.
- 21. Unless otherwise indicated in any guidelines issued for the Annual Implementation Report (see Part 4 of this Bilateral Agreement), the Commonwealth will, as far as practicable, collect Victoria's data for the purposes of national reporting from existing data collections. Unless explicitly stated otherwise, reporting under this Bilateral Agreement will not impose any additional burden on schools.
- 22. As per Part 5 of the Heads of Agreement, the Commonwealth will publicly report Victoria's progress on the national Improvement Measures in an education reporting dashboard (noting the Commonwealth will seek agreement on the format and content of the dashboard from state and territory Education Ministers).

PART 2 — FUNDING

Required funding contributions

- 23. Under section 22A of the Act, Victoria must meet its funding contributions for the government and non-government sectors as a condition of receiving Commonwealth funding.
- 24. Victoria’s funding contributions for the government and non-government sectors for 2025 onwards must be in accordance with section 22A of the Act and will determine the default requirement if this Bilateral Agreement is terminated by either party. If this Bilateral Agreement is terminated by either party, and is not replaced by another agreement, the State shares for Victoria will revert to the shares set out in section 22A of the Act.
- 25. Victoria’s funding contributions for the government and non-government sectors agreed in this Bilateral Agreement are outlined in Table 1 below for each year from 2025 to 2026. The minimum funding contributions are expressed as a percentage of the SRS as defined in Part 3 of the Act.

Table 1. Victoria’s agreed funding shares for the government and non-government sectors, 2025 to 2026

Sector	2025	2026
Government schools	70.43%	70.43%
Non-Government	20.00%	20.00%

- 26. The Commonwealth and Victoria are aligned on the importance of getting all government schools on a pathway to full and fair funding by 2034, and are committed to negotiating a longer-term bilateral agreement to deliver this. To support all public schools on a path to 100 per cent of the SRS, Victoria has committed to contributing at least 75 per cent of the SRS for government schools in their jurisdiction by no later than 2034 and reducing the 4 per cent indirect school expenditure attributed to their total SRS share for the government sector to zero, and replacing it with recurrent funding on eligible expenditure by 2034. In return, the Commonwealth has committed to increasing its share of the SRS from 20 per cent to up to 25 per cent for all government schools by no later than 2034. Funding contributions for the remaining years will be settled in 2026.
- 27. The Commonwealth’s share of the SRS for Victorian government schools detailed in Table 2 below, in any given year is to be reflected by the Commonwealth in legislation.

Table 2: the Commonwealth’s agreed funding shares for Victoria’s government sector, 2025 to 2026

Sector	2025	2026
Government schools	20.00%	20.00%

28. Consistent with clauses 44 and 45 of the Heads of Agreement and in the event of a change to the SRS that results in an impact on Victoria's contribution requirements, Ministers will agree to vary the contribution shares set out in clause 25 of this Bilateral Agreement to ensure that Victoria's contribution amount is not impacted. The amended amount should represent the funding calculated as if the SRS settings are applied that were in operation at the time the Heads of Agreement commenced. The Commonwealth will facilitate this process by providing the data required to enable Victoria to calculate the amount of its contribution on an unchanged basis.
29. In December 2023, National Cabinet agreed that funding for foundational supports is to be agreed through new Federal Funding Agreements, with additional costs split between the Commonwealth, states and territories and final details to be settled through the Council on Federal Financial Relations.
30. Reforms to disability supports and services that are not for educational purposes, including foundational supports, may impact Victoria's school education services. Commonwealth funding under the Heads of Agreement and this Bilateral Agreement is not for these purposes. This Bilateral Agreement does not establish any Commonwealth requirements with respect to these reforms.
31. Consistent with current arrangements, clause 30 of this Bilateral Agreement does not preclude Victoria and the State's non-government schools from using Commonwealth funding under the Act to provide and improve education services and supports for students with disability more broadly.

Measurement of contributions

32. For the purpose of this Schedule, Victoria and the Commonwealth have agreed the costs that are measured towards Victoria's funding contribution requirements for the government and non-government sectors. In assessing compliance with section 22A of the Act, the National School Resourcing Board's (the Board's) Terms of Reference will direct the Board to use this agreed methodology for measurement of Victoria's contribution, including as set out in clauses 33 and 70 of this Bilateral Agreement.
33. Consistent with the calculation of the SRS, Victoria's funding contributions will be measured consistent with the existing Australian Curriculum, Assessment and Reporting Authority (ACARA) financial data reporting methodology for state Net Recurrent Income Per Student (NRIPS) for school years Year 1 minus 1 to Year 12, excluding funding for full fee-paying overseas students, along with the following additional funding types:
 - a. Up to the agreed percentage of the total SRS, as detailed in Table 3 below, for the government sector each year for costs contributing to the provision of education in government schools for the following items, noting the intention of both parties to reduce the maximum percentage allowance for allowable inclusions to zero by 2034:
 - i. capital depreciation
 - ii. direct school transport, such as the School Bus Program for rural and regional Victoria.

Table 3: maximum percentage allowance for allowable inclusions (share of the SRS)

	2025	2026
Allowable inclusions	4.00%	4.00%

- b. Funding for the government sector, for the purposes of funding allocated to schools rather than that expended by schools.
 - c. Funding for the government sector, for the following, where the expenditure relates to the provision of education in government schools, comprising:
 - i. Regulatory funding provided by the government for the government sector for the purposes of the Victorian Curriculum and Assessment Authority, the Victorian Registration and Qualifications Authority and the Victorian Institute of Teaching.
 - ii. Noting that the inclusion of these costs will not result in a reduction in Victoria's recurrent funding to schools and students when compared to the previous year.
 - d. All funding for the purpose of the National Reforms and National Enabling Initiatives outlined in Part 3 of this Bilateral Agreement or Part 4 of the Heads of Agreement.
 - e. Any accounting standard changes as agreed between the Commonwealth and state and territory Ministers for Education, that affect the measurement of recurrent funding where the NRIPS methodology has not been adjusted to negate this impact (e.g. AASB 16).
34. The Commonwealth will provide Commonwealth funding and SRS data, on a quarterly basis, to assist states and territories in meeting the requirements of section 22A of the Act.
 35. If the reported contribution for Victoria for a year falls short of meeting the required contribution for a sector by an immaterial amount, this will not be considered non-compliant with section 22A of the Act. An immaterial amount is less than or equal to 0.6 per cent of the total SRS for the sector, or another immaterial amount agreed by the Commonwealth Minister for Education for a year, which accounts for the timing constraint of State budget processes being finalised in advance of the year and the required contribution for the year being finalised at the end of the year following the annual School Census.
 36. In assessing compliance with this Bilateral Agreement, the Commonwealth Minister will request the Board, through the Board's Terms of Reference for its review of section 22A of the Act, to take into account mitigating factors that have contributed to non-compliance. This may include, but is not limited to, 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) and other unforeseeable circumstances (e.g. natural disasters).

PART 3 — NATIONAL REFORMS

37. The National Reform Direction activities agreed in this Bilateral Agreement align with the National Reform Directions of the Heads of Agreement and Victoria commits to supporting and advancing initiatives aligned to each of the National Reform Directions.
38. Approved authorities of non-government schools in Victoria must adhere to their ongoing policy requirements under (subsections 77(2) and (2A) of the Act). As per clauses 56 and 57 of the Heads of Agreement, approved authorities of non-government schools in Victoria are required to cooperate with the Victorian Government in the implementation of this Bilateral Agreement.

National Reform Directions

39. The Victorian Government has set the priorities and aspirations for future reforms of the Victorian school system, with 5 key priorities to progressed in partnership with our schools and communities over the coming years:
 - Excellence in teaching and learning
 - Every student matters
 - Lifting secondary school student engagement and achievement
 - Expand, support and recognise our school workforce
 - Schools at the centre of communities

This provides a strong foundation and direction for the delivery of Victorian reform initiatives against the National Reform Directions.

40. Victoria commits to the following actions to give effect to the National Reform Directions as outlined in the Heads of Agreement.
 - a. Note for the non-government school sector the implementation of additional reform initiatives against the National Reform Directions will be gradually implemented over the life of the Heads of Agreement.
 - b. Victoria commits to continue the existing actions outlined below for government schools to give effect to the National Reform Directions as outlined in the Heads of Agreement. Victoria notes these actions represent the first phase of a long-term reform agenda. The full suite of second phase reforms will be outlined in a long-term bilateral agreement in 2026 and reflect Commonwealth funding arrangements and long-term reform implementation.

Equity and Excellence

41. Whole-of-system and/or whole-of-school approaches that identify student learning needs early and provide tiered and targeted, intensive supports, in line with evidence-based teaching and a 'multi-tiered systems of support' (MTSS) approach. This approach includes:
 - a. For government schools, continuing to:
 - i. deliver strong **mathematics and numeracy outcomes** for all students through a focus on explicit teaching and the provision of teaching, learning and assessment resources
 - ii. deliver specific supports to improve school education outcomes for students from **rural and regional** communities.

- b. For Catholic schools (led by Victorian Catholic Education Authority (VCEA)), continuing to:
 - i. implement student-centred **school improvement frameworks** documented through school improvement plans and annual action plans in every Catholic school
 - ii. provide quality tier 1 instruction for all students with access to **evidence-based interventions** for student cohorts identified as requiring tiers 2 or 3.
 - c. For independent schools (led by Independent Schools Victoria (ISV)), continuing to:
 - i. **support schools with data analysis**, including NAPLAN and VCE data
 - ii. build the capacity of school leaders/teachers to **evaluate evidence of learning** through professional learning programs such as the Aspiring Principals program.
 - d. For independent schools (led by ISV), undertaking the following additional effort:
 - i. assess and promote **universal screening tools** for early literacy assessment and numeracy benchmarking
 - ii. explore opportunities for professional learning on **Response to Intervention (RTI) strategies** to help teachers implement evidence-based interventions.
42. A Year 1 phonics check and an early years of schooling numeracy check (once available) is made available to schools in Australia to support teachers and school leaders to identify student learning needs early:
- a. For government, Catholic (led by VCEA) and independent schools (led by ISV), continuing to:
 - i. establish the **system-wide usage of systematic synthetic phonics** in the early years of school to make sure every student develops core reading skills using the strongest evidence-based methods.
 - b. For independent schools (led by ISV), continuing to:
 - i. provide Independent Schools Victoria member schools with access to an **Early Childhood Specialist** within the School Improvement Team and a **literacy specialist** within School Services.
 - c. For government, Catholic (led by VCEA) and independent schools (led by ISV), undertaking the following additional effort:
 - i. make available a **Year 1 Phonics Check to all schools**, and related resources, to support schools to identify student learning needs early
 - ii. make available (when available) a **numeracy check to all schools** in the early years of schooling to support schools to identify student learning needs early
 - iii. report annually on **school participation rates** in the Year 1 Phonics Check and a numeracy check (once available).
43. Initiatives that encourage student uptake of high-quality science, technology, engineering and mathematics (STEM) education opportunities:

- a. For government schools, continuing to:
 - i. improve **quality, consistency and access to VET in schools** and ensure the offering is aligned with industry priorities to prepare students for opportunities in Victoria's growing industries, including STEM industries.
- b. For Catholic schools (led by VCEA), continuing to:
 - i. support the participation of Victorian Catholic teachers in the Victorian Academy of Teaching and Leadership **Teaching Excellence Programs, for example in STEM.**
- c. For independent schools (led by ISV), continuing to:
 - i. **promote the value** of STEM and champion **Girls in STEM** initiatives
 - ii. engage in **action research projects**
 - iii. support the **recruitment of Expert Teachers in Residence** for the Victorian Academy of Teaching and Leadership for Mathematics, Science and Technologies
 - iv. provide **professional development** for teachers in artificial intelligence (AI) and cybersecurity.
- d. For independent schools (led by ISV), undertaking the following additional effort:
 - i. explore collaborative **partnerships with the tertiary sector and industry** to support learners and inspire school leavers
 - ii. evolve **professional development** for teachers in AI
 - iii. engage with members to **strengthen networks** for Mathematics, Science and Technology teachers
 - iv. explore **partnerships with subject associations**, particularly the Mathematics Association of Victoria (MAV), Science Teachers Association of Victoria (STAV), Technology Teachers Association of Victoria (TTAV) and the Australian Council for Computers in Education (ACCE) - Victorian Branch.

Wellbeing for learning and engagement

44. Initiatives that support connections between schools and other non-school services to support students to come to school ready to learn, for example through full-service school models where appropriate:
 - a. For government schools, continuing to:
 - i. leverage strong, **multidisciplinary teams that deliver inclusion, health and wellbeing services** in our secondary schools to build more support for students.
 - b. For Catholic schools (led by VCEA), continuing to:
 - i. make available the **transition Learning Development Statements (TLDS)** for all students commencing the first year of formal schooling

- ii. support **access to allied health services**: psychologists, speech pathologists, inclusion and diversity support staff to maximise school engagement, attendance and retention.
 - c. For independent schools (led by ISV), continuing to:
 - i. support the **Special Assistance Schools (SAS) network** and conduct regular network meetings
 - ii. provide guidance to families through the *Parents Website*
 - iii. provide **professional learning** opportunities for school staff to build their capacity to **identify and address external barriers to learning**.
 - d. For independent schools (led by ISV), undertaking the following additional effort:
 - i. support networks for **school wellbeing leaders**
 - ii. evolve **professional learning for SAS member schools**.
45. Structured initiatives that support wellbeing for learning and engagement, for example in-school wellbeing coordinators or access to School Counsellors, psychologists, mental health workers and/or youth health nurses:
- a. For government schools, continuing to:
 - i. deliver **mental health supports** in every government secondary school and specialist school with secondary age students to promote positive mental health and wellbeing
 - ii. focus on **mental health in government and low fee non-government primary schools**.
 - b. For Catholic schools (led by VCEA), continuing to:
 - i. support all low fee primary schools to engage in the **Mental Health in Primary Schools (MHIPS)** initiative
 - ii. **build the quality of mental health and wellbeing support** across each tier drawing on the expertise of specialised supports e.g. allied health, behavioural supports and Mental Health and Wellbeing Leaders
 - iii. implement the Victorian Catholic Education Authority **Aboriginal and Torres Strait Islander Education Action Plan** and personalised plans for Aboriginal and Torres Strait Islander Students
 - iv. support the implementation of the **Out of Home Care Partnering Agreement** to improve education, health and wellbeing outcomes for students in Out of Home Care.
 - c. For independent schools (led by ISV), continuing to:
 - i. employ a full-time **Manager of Student Services** and **Student Services Advisor**
 - ii. **collaborate with mental health professionals**, paediatricians, and other health services

- iii. work with community organisations and government bodies to **connect families with broader support networks**.
 - d. For independent schools (led by ISV), undertaking the following additional effort:
 - i. explore the **establishment of local service networks** where member schools, health services, mental health providers, and community organisations collaborate more closely.
46. Initiatives which support student engagement in learning, for example greater student participation, attendance, inclusion and/or enhanced school-family engagement:
- a. For government schools, continuing to:
 - i. deliver the **First Nations Education Plan** to support First Nations students to feel strong and safe in their cultural identity and have a robust sense of belonging
 - ii. deliver tailored **support for students at risk of disengaging from school** by providing strong reengagement pathways back into school, and improving services for children and young people in out-of-home care
 - iii. roll out respectful relationships and school wide positive behaviour support programs to ensure positive learning and wellbeing environments in all schools
 - b. For Catholic schools (led by VCEA), continuing to:
 - i. collaborate with stakeholders to provide guidance and materials to support the **inclusion of students with disabilities** in Victorian Catholic schools
 - ii. broker specialised services and supports to facilitate equitable access and **participation for students with complex needs** e.g. Students with specialised health support needs, orientation, mobility, and/or personalised care and support
 - iii. **remove barriers to participation in VET programs** by offsetting costs otherwise passed on to families, enabling students to explore and acquire employability and industry skills.
 - c. For independent schools (led by ISV), continuing to:
 - i. **promote inclusive education** by encouraging schools to adopt diverse teaching practices that cater to all students, including those with learning difficulties, disabilities, or from different cultural backgrounds
 - ii. offer **professional learning for teachers** to enhance their skills in differentiation, culturally responsive pedagogy, and trauma-informed practices, such as Indigenous cultural competency and safety
 - iii. participate in the 'engagement' working party through the **cross-sectoral Koorie Education Working Group**.
 - d. For independent schools (led by ISV), undertaking the following additional effort:

- i. more explicitly encourage participants in programs such as the Aspiring Principals, Teacher Fellowship and HALT programs to undertake a change initiative with **student wellbeing or engagement** at the heart
- ii. explore a **targeted professional learning program** focusing on participation, attendance, inclusion and/or enhanced school-family engagement for parents.

A strong and sustainable workforce

47. Initiatives to develop, recognise, reward and/or deploy highly expert teachers, particularly in schools which need additional support, for example Highly Accomplished or Lead Teachers or equivalents:
 - a. For government schools, continuing to:
 - i. invest in **specialist teaching roles**, for example Learning Specialist and Leading Teacher roles for highly skilled teachers which promote excellence teaching and learning across the schools workforce by delivering demonstration lessons, mentoring and coaching support to other teachers.
 - b. For Catholic schools, the VCEA will continue to:
 - i. implement initiatives to **grow and optimise teacher supply in 'hard-to-staff' areas** including Pre-service Teacher Placement Grant to support pre-service teachers to complete their teaching placements in eligible regional, remote or specialist Victorian Catholic schools.
 - c. For independent schools (led by ISV), continuing to:
 - i. build the capacity of school leaders and **teachers to evaluate evidence of learning** through programs such as the Aspiring Principals program, Teacher Fellowship and National Teacher Certification for Highly Accomplished or Lead Teachers (HALT)
 - ii. engage in the recruitment of **Expert Teachers in Residence** and teachers for the Victorian Academy of Teaching and Leadership's **Teaching Excellence Program** (TEP)
 - iii. support the University of Melbourne's '**Leadership in Schools**' program for final-year pre-service teachers
 - iv. **advocate for teacher wellbeing** in conversations with federal and state government officials as well as the Victorian Institute of Teaching (VIT)
 - v. participate in the '**workforce retention**' working party through the cross-sectoral Koorie Education Working Group'
 - vi. **liaise with subject associations** such as the Modern Languages Association of Victoria (MLTAV) on how best to support teachers in schools.
 - d. For independent schools (led by ISV), undertaking the following additional effort:
 - i. host **network meetings for new teachers**
 - ii. explore professional learning **partnerships with subject associations** to support teacher engagement and retention.

48. Access to high-quality and evidence-based professional learning for teachers and school leaders and the provision of quality-assured curriculum resources that have been developed in partnership with the teaching profession:
- a. For government schools, continuing to:
 - i. grow the professional knowledge, skills and capabilities of school staff through **professional learning and supports** and ensure they have the opportunity, time and support to attend professional learning
 - ii. build on an expert and skilled teaching profession by supporting teachers to work together to **analyse student data and deliver quality teaching**.
 - b. For Catholic schools (led by VCEA), continuing to:
 - i. **provide teachers with access to tools, resources, lesson plans** and accompanying professional learning opportunities to enhance pedagogical practice
 - ii. fund, sustain and develop the **industry skills and qualifications of VET staff** in Catholic schools.
 - c. For independent schools (led by ISV), continuing to:
 - i. **represent ISV members** on ACARA and VCAA working parties
 - ii. **participate in the 'curriculum' working party** through the cross-sectoral Koorie Education Working Group.
 - d. For independent schools (led by ISV), undertaking the following additional effort:
 - i. explore opportunities to **co-design professional learning workshops** in partnership with the Victorian Aboriginal Education Association (VAEAI) and Reconciliation Australia (Narragunnawali) teams.
49. Initiatives to strengthen teacher and school leader wellbeing, for example actions to support safe and respectful schools, strengthen Aboriginal and Torres Strait Islander cultural safety, and reduce teacher and school leader workload:
- a. For government schools, continuing to:
 - i. support positive, safe and supportive learning cultures through coaching support and resources
 - ii. **provide supports to schools** and school staff to reduce the administrative and compliance burden for these schools
 - iii. roll out **employee wellbeing support services** with increased promotion and engagement of services available to school staff.
 - b. For Catholic schools (led by VCEA), continuing to:
 - i. engage in cross-sector collaboration through the Koorie Education Working Group to progress work plan objectives strengthening **cultural safety in Catholic schools**

- ii. provide quality evidence-based teaching materials to support whole school approaches to the implementation of **Respectful Relationships** and strengthen cultural safety.
 - c. For independent schools (led by ISV), continuing to:
 - i. promote ISV's **Reconciliation Action Plan**
 - ii. participate in a **cross-sectoral First Nations Education Working Group** (supported by the Department of Education) and **STRIVE committees** (coordinated by Reconciliation Victoria).
 - d. For independent schools (led by ISV), undertaking the following additional effort:
 - i. complete and extend the commitments outlined in ISV's **Reconciliation Action Plan**.
50. Initiatives to increase teacher attraction and retention including those that encourage 'students to take up a career in teaching and increase the diversity of the teacher workforce, for example initiatives focused on increasing the number of Aboriginal and Torres Strait Islander educators, or through implementing actions under the *National Teacher Workforce Action Plan* and/or recommendations of *Strong Beginnings: Report of the Teacher Education Expert Panel*. This will include:
- a. For government schools, continuing to:
 - i. build a strong and diverse workforce by expanding and supporting the employment of **First Nations people** in Victorian schools
 - ii. deliver an **improved induction experience** into the profession via mentoring, professional learning and peer-to-peer learning opportunities to support and retain graduate teachers and accelerate the development of graduate teachers' practice
 - iii. collaborate in a cross-sectoral working group to identify and progress work plan objectives addressing **workforce attraction and retention**.
 - b. For Catholic schools (led by VCEA), continuing to:
 - i. sponsor teachers to undertake the **Graduate Certificate of Career Development Practice** which assists them in providing appropriate pathway options for all students in Catholic schools.
 - c. For independent schools (led by ISV), continuing to:
 - i. participate in the '**workforce retention**' **working party** through the cross-sectoral Koorie Education Working Group.
 - d. For independent schools (led by ISV), undertaking the following additional effort:
 - i. **explore teacher attraction and retention diversity** and the employment of an ISV Koorie staff member as we work towards an 'Innovate' Reconciliation Action Plan.
51. Implementation of the reforms outlined above is outlined further in Table 4.
52. Reporting on the activities undertaken in respect of the above National Reform Directions will be undertaken through an Annual Implementation Report, as outlined in Part 4.

53. As detailed in Part 5 of the Heads of Agreement, non-government representative bodies will provide an Annual Implementation Report to the Commonwealth each calendar year, the reporting template for non-government representative bodies is provided at Schedule E to the Heads of Agreement.

National Enabling Initiatives

54. Victoria commits to the following actions to give effect to the National Enabling Initiatives, as outlined in the Heads of Agreement, and fulfil commitments as per Schedules B and C of the Heads of Agreement:
- a. Contribute to collective work on a review of the SRS base and loadings calculation methodology.
 - i. As part of the SRS methodology review, Victoria will pursue consideration of measures to manage within year variability in the SRS expenditure target, such as the timing and rate of SRS indexation, and the timing of confirmation of the SRS expenditure target.
 - b. Contribute to the implementation of the Unique Student Identifier (USI) to ensure all Victorian school students receive a USI.
 - c. Contribute to collective work to understand and provide advice to Education Ministers on:
 - i. socioeconomic diversity, its impact on schools and student learning and best practice approaches to addressing these impacts
 - ii. school attendance, its impact on learning and mechanisms to advance evidence-based approaches to addressing non-attendance, including school refusal.
 - d. Contribute to collective work to inform a Review of the Measurement Framework for Schooling in Australia to ensure it remains a relevant tool. This may include student level outcome data, appropriate disaggregated data, and information to inform possible new and updated measures. The Review's Terms of Reference are to be agreed by Education Ministers Meeting (EMM) and will include consideration of the costs and benefits of (with primacy given to any impact on teacher workload):
 - i. a new measure of student engagement
 - ii. a new equity in learning gain measure, to enable measurement of student learning growth
 - iii. national measures of access, participation and outcomes for students with disability to establish a better understanding of the education experiences and outcomes of students with disability
 - iv. extending the Australian Teacher Workforce Dataset to ensure that comprehensive data, based on teacher registration, is collected to better understand workforce trends including on early career retention and diversity, and extending the Australian Teacher Workforce Survey to capture data on out-of-field teaching.
 - e. Supporting development of an early years of schooling numeracy check to support teachers to assess their students' numeracy skills and identify and respond to students who need tailored support.

55. As per clause 89 of the Heads of Agreement, Victoria will contribute to the development of a national Project Plan for each of the National Enabling Initiatives in clause 88 of the Heads of Agreement.
56. The provision of any information by Victoria as part of its contribution to the delivery of the National Enabling Initiatives will be consistent with the Project Plans to be agreed by EMM, the reporting requirements in Part 5 of the Heads of Agreement and clause 98 of the Heads of Agreement, which stipulates that as far as practical, reporting requirements will leverage existing reporting processes and data sources and, unless explicitly stated otherwise, will not impose any additional burdens on schools.
57. Victoria will not be penalised in any way for failing to achieve milestone deadlines in relation to the National Enabling Initiatives in the Heads of Agreement or this Bilateral Agreement if such non-achievement was due to delayed or non-achievement of other milestones or dependencies outside of Victoria's control.
58. As set out in clause 92 of the Heads of Agreement, the cost of National Enabling Initiatives will be met by Parties according to the cost sharing principles, unless otherwise agreed by the Education Ministers Meeting, including alternate cost sharing arrangements for specific National Enabling Initiatives, where agreed. For joint projects, EMM typically utilises a population-based formula to determine jurisdictional funding propositions. For the avoidance of doubt, Victoria will not need to contribute more towards the jurisdictions' share of the national cost of a National Enabling Initiative than is proportional to Victoria's share of the total national school student population, unless otherwise agreed by Victoria's Minister for Education.
59. Victoria's obligations with regards to the government sector's implementation of additional effort initiatives against the National Reform Directions, will be proportional to and phased in, in line with the delivery of additional Commonwealth funding, which will be negotiated under the long-term bilateral agreement. Victoria's obligations with regards to the National Enabling Initiatives will be consistent with Part 4 and Schedule B of the Heads of Agreement.

Implementation

60. In committing to the above reforms, Victoria commits to the actions and milestones set out in Table 4.
61. Victoria undertakes to co-operate with the non-government school sector in Victoria in the implementation of the reforms outlined in this Bilateral Agreement through:
 - a. the School Policy and Funding Council (SPFAC) and its working groups. SPFAC is established under the Education and Training Reform Act 2006 (Vic) and is responsible for providing advice to the Victorian Minister for Education about regulatory, policy and funding issues that affect government and non-government schools
 - b. data and information sharing arrangements to monitor state-wide performance progress and facilitate the dissemination of information to effective planning and across all sectors and schools, to enable Victoria to achieve these targets
 - c. cross-sectoral school engagement through other mechanisms operating from time to time.
62. In accordance with subsection 77(2A) of the Act, non-government approved authorities are required to cooperate with their local state or territory government in the implementation of this Bilateral Agreement.

63. The non-government sector in Victoria, as per clause 57 in the Heads of Agreement, should cooperate with the Victorian Government to implement the National Reform Directions and National Enabling Initiatives. Activities against the National Reform Directions undertaken by the Victorian non-government sector will be included in reports by the non-government representative bodies provided to the Australian Government as set out in Part 5 and Schedule E in the Heads of Agreement.
64. The Commonwealth will not impose financial or other sanctions on Victoria for a failure by Victoria's non-government school sector to cooperate with this Bilateral Agreement, as per clause 87 of the Heads of Agreement. Nor will the Commonwealth impose sanctions on the non-government school sector for a failure of Victoria to cooperate with them in the implementation of this Bilateral Agreement.

National Reform Directions implementation milestones

Note: This table only includes the reforms listed as 'additional effort'

Table 4 – Victoria bilateral school reform milestones

Note: The implementation of additional reform initiatives against the National Reform Directions will be gradually implemented over the life of the Heads of Agreement, and for the government sector will be proportional to, and phased in line with, the delivery of additional Commonwealth investment, which will be negotiated under the long-term bilateral agreement.

Reform and Milestones	Sector	Timing
Reform A – Equity and Excellence		
<u>Whole-of-system and/or whole-of-school approaches that identify student learning needs early and provide tiered and targeted, intensive supports, in line with a 'multi-tiered systems of support' (MTSS) approach.</u>		
<ul style="list-style-type: none"> Assess and promote universal screening tools for early literacy assessment and numeracy benchmarking. 	Independent	From 2025
<ul style="list-style-type: none"> Explore opportunities for professional learning on Response to Intervention (RTI) strategies to help teachers implement evidence-based interventions. 	Independent	From 2025
<u>A Year 1 phonics check and an early years of schooling numeracy check (once available) is made available to schools in Australia to support teachers and school leaders to identify student learning needs early.</u>		
<ul style="list-style-type: none"> Make available a Year 1 Phonics Check to all schools, and related resources, to support schools to identify student learning needs early. 	All sectors	From 2025
<ul style="list-style-type: none"> Make available (when available) a numeracy check to all schools in the early years of schooling to support schools to identify student learning needs early. 	All sectors	From 2025

<ul style="list-style-type: none"> Report annually on government school participation rates in the Year 1 Phonics Check and a numeracy check (once available). 	All sectors	From 2025
<u>Initiatives that encourage student uptake of high-quality science, technology, engineering and mathematics (STEM) education opportunities.</u>		
<ul style="list-style-type: none"> Explore collaborative partnerships with the tertiary sector and industry to support learners and inspire school leavers. 	Independent	From 2025
<ul style="list-style-type: none"> Evolve professional development for teachers in AI. 	Independent	From 2025
<ul style="list-style-type: none"> Engage with members to strengthen networks for Mathematics, Science and Technology teachers. 	Independent	From 2025
<ul style="list-style-type: none"> Explore partnerships with subject associations, particularly the Mathematics Association of Victoria (MAV), Science Teachers Association of Victoria (STAV), Technology Teachers Association of Victoria (TTAV) and the Australian Council for Computers in Education (ACCE) - Victorian Branch. 	Independent	From 2025
Reform B – Wellbeing for Learning and Engagement		
<u>Initiatives that support connections between schools and other non-school services to support students to come to school ready to learn, for example through full-service school models where appropriate.</u>		
<ul style="list-style-type: none"> Support networks for school wellbeing leaders. 	Independent	From 2025
<ul style="list-style-type: none"> Evolve professional learning for SAS member schools. 	Independent	From 2025

<u>Structured initiatives that support wellbeing for learning and engagement, for example in-school wellbeing coordinators or access to School Counsellors, psychologists, mental health workers and/or youth health nurses.</u>		
<ul style="list-style-type: none"> Explore the establishment of local service networks where member schools, health services, mental health providers, and community organisations collaborate more closely. 	Independent	From 2025
<u>Initiatives which support student engagement in learning, for example greater student participation, attendance, inclusion and/or enhanced school-family engagement.</u>		
<ul style="list-style-type: none"> More explicitly encourage participants in programs such as the Aspiring Principals, Teacher Fellowship and HALT programs to undertake a change initiative with student wellbeing or engagement at the heart. 	Independent	From 2025
<ul style="list-style-type: none"> Explore a targeted professional learning program focusing on participation, attendance, inclusion and/or enhanced school-family engagement for parents. 	Independent	From 2025
Reform C – A Strong and Sustainable Workforce		
<u>Initiatives to develop, recognise, reward and/or deploy highly expert teachers, especially in schools which need additional support, for example Highly Accomplished or Lead Teachers or equivalents.</u>		
<ul style="list-style-type: none"> Host network meetings for new teachers. 	Independent	From 2025
<ul style="list-style-type: none"> Explore professional learning partnerships with subject associations to support teacher engagement and retention. 	Independent	From 2025
<u>Access to high-quality and evidence-based professional learning for teachers and school leaders and the provision of quality-assured curriculum resources that have been developed in partnership with the teaching profession.</u>		
<ul style="list-style-type: none"> Explore opportunities to co-design professional learning workshops in partnership with the Victorian Aboriginal Education Association (VAEAI) and Reconciliation Australia (Narragunnawali) teams. 	Independent	From 2025

Initiatives to strengthen teacher and school leader wellbeing, for example actions to support safe and respectful schools, strengthen Aboriginal and Torres Strait Islander cultural safety, and reduce teacher and school leader workload.

- Complete and extend the commitments outlined in ISV's Reconciliation Action Plan.

Independent

From 2025

Initiatives to increase teacher attraction and retention, including those that encourage students to take up a career in teaching and increase the diversity of the teacher workforce, especially by increasing the number of First Nations educators, or through implementing actions under the *National Teacher Workforce Action Plan* and/or recommendations of *Strong Beginnings: Report of the Teacher Education Expert Panel*.

- Explore teacher attraction and retention diversity and the employment of an ISV Koorie staff member as we work towards an 'Innovate' Reconciliation Action Plan.

Independent

From 2025

PART 4 — REPORTING REQUIREMENTS

Requirements for annual reporting to the Commonwealth

65. The following clauses set out the annual reporting arrangements for Victoria for a year (Year T).
66. As set out in Part 5, clause 100 of the Heads of Agreement, Victoria will also be required to ensure full and accessible information on its needs-based funding arrangement is publicly available, in line with subsection 78(5) of the Act.

Annual Funding Report

67. The Commonwealth will provide Victoria with a Funding Estimation Tool in January Year T+1 prior to Victoria's annual report with the final SRS data for Year T for the purpose of the Board's review of Victoria's compliance with section 22A of the Act.
68. As outlined in Part 5, sub-clause 101e of the Heads of Agreement, the Victorian minister responsible for school education, or their delegate (i.e. the Director General (or equivalent) of the Department responsible for school education) must provide an Annual Funding Report to the Commonwealth Education Minister, or their delegate such as the Departmental Secretary, for each calendar year of this Bilateral Agreement.
69. Victoria must provide its Annual Funding Report for Year T to the Commonwealth no later than 30 November Year T+1 (i.e. 30 November of the following year).
70. The Annual Funding Report must set out the following:
 - a. the total amount of funding provided by Victoria for government schools in Victoria for Year T as measured in line with clause 33 of this Bilateral Agreement
 - b. the total amount of funding provided by Victoria for non-government schools in Victoria for Year T as measured in line with clause 33 of this Bilateral Agreement
 - c. total full time equivalent enrolments for Year T, relating to the amounts in a and b above
 - d. the amount for each funding type set out in clause 33 of this Bilateral Agreement
 - e. the amount of funding consistent with the specified NRIPS methodology, at a sector level, not at an individual school level.
71. For the avoidance of doubt, each amount included in the Annual Funding Report must have been:
 - a. spent by the Victorian Government for schools for Year T (including centralised funds expended by the department for schools and funds allocated for schools that are not spent within Year T but are spent within remainder of the financial year or subsequent years by schools), or approved authorities, or
 - b. spent by schools or approved authorities for schools for Year T, and
 - c. not counted towards another reporting year for the purposes of this Bilateral Agreement, and

- d. not counted towards another Commonwealth-State agreement, without the explicit consent of the Commonwealth.
- 72. It should be noted that clause 70 of this Bilateral Agreement does not prevent Victoria from reporting budgeted amounts in its report.
- 73. Each amount included in the report for a sector must have been allocated or expended for that sector. Note: this means Victoria cannot count funding allocated or expended for one sector against the allocation or expenditure of another sector.
- 74. Each amount included in the report must be net of any Australian Government funding.
- 75. The Annual Funding Report provides the option for a statement explaining:
 - a. any material variances (positive or negative) in the total amount of Victoria's funding contribution that is between Year T and Year T-1 for:
 - i. government schools in Victoria and
 - ii. non-government schools in Victoria
 - b. any adjustments to Victoria's funding contribution (i.e. timing adjustments) outside of the specified NRIPS methodology.
- 76. For each amount, the report must include evidence that the amount has been certified and is consistent with the agreed methodology in clause 33 of this Bilateral Agreement by one of the following:
 - a. the Auditor-General of Victoria or
 - b. an independent qualified accountant or
 - c. an independent qualified accountant engaged by ACARA for NRIPS funding or
 - d. the Director General or equivalent of the education portfolio for the state or territory, but only up to 0.1 per cent of the SRS for Victoria for all reported funding.
- 77. The Annual Funding Report may also provide an explanation and supporting evidence for the Board's consideration of any shortfall between the total amount reported for Year T and the agreed funding contributions for Year T in clause 25 of this Bilateral Agreement.
- 78. The Commonwealth will provide Victoria's Annual Funding Report to the Board for assessment of Victoria's compliance for Year T with section 22A of the Act, including any funding requirements specified in this Bilateral Agreement.
- 79. The Commonwealth may request additional information from Victoria on behalf of the Board, to be provided within 21 days. If Victoria does not provide information or advice in this timeframe, the Board will make an assessment based on the information and evidence available. Such requests will be consistent with clause 98 of the Heads of Agreement which stipulates that as far as practical, reporting requirements will leverage existing reporting processes and data sources and, unless explicitly stated otherwise, will not impose any additional burden on schools.

80. Victoria will have an opportunity to provide further information for the Board's consideration following its receipt of the Board's draft findings.

Annual Implementation Report

81. As outlined in Part 5, sub-clause 101a of the Heads of Agreement, the Director General or equivalent of the education portfolio for Victoria must provide an Annual Implementation Report to the Secretary of the Australian Government's Department of Education for each calendar year of this Bilateral Agreement, for the purpose of assessing compliance with paragraph 22(2)(c) of the Act.
82. The template for the Annual Implementation Report is found at Attachment A of this Bilateral Agreement.
83. The Annual Implementation Report for a calendar year is required by 30 November Year T+1 (i.e. 30 November of the following year), or a date as agreed by the Commonwealth and Victoria.
84. The Annual Implementation Report must include:
- a. progress towards agreed reform activity as outlined in this Bilateral Agreement for the National Reform Directions.
 - b. information on how the implementation of each of the National Reform Directions has been targeted to priority equity cohorts (as defined in the Heads of Agreement) and, where relevant, to schools which need additional support.
 - c. progress towards Improvement Measures specified, only where not currently reported to the Commonwealth.
85. For the avoidance of doubt, Victoria's Annual Implementation Report should focus on government school implementation and Improvement Measures, noting that, as per clause 104 of the Heads of Agreement, non-government representative bodies will be required to provide an Annual Implementation Report for Year T to the Commonwealth for each calendar year by 30 November Year T + 1.
86. Unless explicitly stated otherwise, Victoria's reporting requirement will leverage existing reporting processes and data sources, as far as practical, and will not impose any additional burden on schools. Requests to provide data and information to support public reporting will provide reasonable timeframes to respond and ensure accuracy and integrity of data provided.

SIGNATURES

**Signed for and on behalf of the Commonwealth
of Australia by**

**Signed for and on behalf of
Victoria by**



The Honourable Jason Clare MP
Minister for Education
Date 6 / 12 / 2025



The Hon. Ben Carroll MP
Deputy Premier, Minister for Education
Date 8/12/2025

ATTACHMENT A: ANNUAL IMPLEMENTATION REPORT TEMPLATE

Purpose of this reporting template

This Annual Implementation Report reporting template contributes to achieving the transparency and accountability commitments under the *Better and Fairer Schools Agreement – Full and Fair Funding 2025-2034*. Victoria will fill in the Annual Implementation Report annually and report it to the Australian Government Department of Education; non-government representative bodies will also be required to fill in their own template (see Schedule E of the Heads of Agreement).

National Reform Directions

Victoria is required to fill in the below table outlining its implementation of National Reform Directions (in relation to the government school sector).

National Reform Directions	Description of local implementation	Outline the focus on priority equity cohorts and schools needing additional support (where applicable)	Details of qualitative or quantitative impact
<p>[For example]</p> <p>Structured initiatives that support wellbeing for learning and engagement, for example in-school wellbeing coordinators or access to School Counsellors, psychologists, mental health workers and/or youth health nurses.</p>			<p>For example, ratio of wellbeing functions to students, where applicable.</p>

[National Reform Direction]			
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Specific National Reform Direction Implementation

National Reform Direction	20xx Update	Evidence/Caveats/Background Information
Phonics and early years numeracy check participation rates, including for priority equity cohorts (where data is available)		
Number of Highly Accomplished and Lead Teachers or equivalent		For example, certain percentage being deployed in schools which need additional support.

Improvement Measures

Victoria is required to fill in the following table outlining their progress against identified agreed Improvement Measures, only where data is not available at the Commonwealth level:

Improvement Measure	20xx Update	Evidence/Caveats/Background Information
[Jurisdiction-level Improvement Measure]		
[Identified jurisdictional target, where target already exists (if applicable)]		