

## APPENDIX 4: BILATERAL AGREEMENT BETWEEN THE NORTHERN TERRITORY AND THE COMMONWEALTH ON QUALITY SCHOOLS REFORM

### Preliminaries

1. This agreement satisfies the conditions of subsection 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. It also satisfies the requirement in paragraph 1(1)(b) of Schedule 1 to the Regulation, relating to the use of financial assistance payable under subsection 69B(1) of the Act.
2. This bilateral agreement will inform the priorities for the work plans for non-government representative bodies in the Northern Territory under the Australian Government's Non-Government Reform Support Fund.
3. This bilateral agreement between the Commonwealth and Northern Territory will commence on 1 January 2019 and expire on 31 December 2023. Although this agreement commences on 1 January 2019, the Territory's share stipulated in this bilateral agreement for 2018 will apply to the 2018 calendar year.
4. The Commonwealth is providing an additional \$78.453 million in transition support for Northern Territory government schools from 2018 to 2027 (inclusive) for the purpose of supporting school education and in accordance with this agreement.
5. In the event the Commonwealth offers terms to the agreement that are more favourable in bilateral agreements with other jurisdictions, including but not limited to:
  - a. an adjustment to the measurement of state funding contribution included in another state's bilateral agreement, or
  - b. any subsequent agreement the Commonwealth makes with any other state or territory which favourably impacts on that state's financial contributions or risk sharing arrangements under the agreement,

then these terms will also be made available to the Northern Territory and this agreement will be updated to take into account the adjustment or material change to circumstance. The agreement may also be updated through agreement with the Commonwealth if there is a material change in the state's circumstances, beyond its reasonable control, which will affect the Northern Territory's fiscal position or the recognition of the state's funding contribution.

### Reform context – government school sector

6. The Northern Territory's vision is for a strong public education system that ensures equity and gives every child the opportunity to engage, grow and achieve.

7. Education starts from birth. The Northern Territory Government is committed to support children and families to build the skills to be ready for school, day one, term one, year one. By providing children with the confidence in the early years, they will be more engaged and thrive in the schooling the environment.
8. At school, the priorities are to maximise student engagement and participation, to ensure that every student achieves at least one year of growth for one year of education and that every student once they leave school has opportunities to pursue a pathway for a bright future.
9. The delivery of school education in the Northern Territory is unique because of the challenges associated with providing services to a disproportionately high number of disadvantaged schools and students.
10. There are 153 government schools in the Northern Territory spread across a vast and remote geographical area. Three quarters of government schools in the Northern Territory are located in remote and very remote areas and about a third have a total enrolment of 50 students or less. The vast distances between schools and small population means there are significant challenges associated with diseconomies of small scale in the delivery of education services in the Northern Territory.
11. The student profile in the Northern Territory is very different from other jurisdictions. There are a disproportionate number of disadvantaged students in the Northern Territory, the majority of which attend government schools:
  - a. 44 per cent of governments students in the Northern Territory are Aboriginal or Torres Strait Islander, compared to 7.0 per cent nationally.
  - b. Over 40 per cent of students in government schools in the Northern Territory reside in remote or very remote areas compared to 2.5 per cent nationally.
  - c. Nearly half of Territory government students are in the lowest quartile of the Index of Community Socio-Educational Advantage.
  - d. 38 per cent of government students in the Northern Territory have language backgrounds other than English compared to 24 per cent nationally.
  - e. 26 per cent of government students in the Northern Territory have a disability and receive educational adjustments.
12. The complexity of school education service delivery is compounded due to the multidimensional needs of many Northern Territory children and students that are both within the school gate and outside the school gate. To meet the broader needs of Northern Territory students, the Northern Territory Government has invested in a significant cross agency reform agenda that will have significant positive impact on the outcomes of Territory children and students. These investments include:
  - a. *Starting Early for a Better Future Early Childhood Development Plan 2018-2028*. The plan's vision is to ensure "all children are ready to start school from day 1, term 1, in year 1". The Northern Territory Government is investing \$35.6 million over the first four years to priority actions across four key themes: Ready to Learn, Strong Families, Getting it Right for Life, and Quality Early Childhood Development System.

- b. Implementing recommendations from the Royal Commission into the Protection and Detention of Children in the Northern Territory. The Northern Territory Government has committed \$229 million over five years to support the Northern Territory's Safe, Thriving and Connected Implementation Plan. The reform plan is aimed at addressing the underlying causes of offending by children and young people including efforts and resources directed towards prevention, identification, early intervention, engagement and diversion will have significant positive flow on impacts on education outcomes of children in the Northern Territory, and
  - c. \$1.1 billion to improve housing in remote communities over 10 years from 2017-18. Investment in safe and suitable housing will have significant impacts on the development, health and wellbeing of children in remote communities, including school attendance, readiness to learn and educational achievement.
- 13. These investments and other initiatives funded by the Northern Territory Government that have a flow on impact on student outcomes are not counted towards the Northern Territory's share of the Schooling Resource Standard under this agreement.
- 14. Ensuring that Aboriginal and Torres Strait Islander students in the Northern Territory are successful and confident in their education journey is a key objective of the Northern Territory Government. It is about ensuring that Aboriginal and Torres Strait Islander students:
  - a. have the early foundations when they enter primary schooling
  - b. are engaged with their learning and attend school regularly
  - c. have the essential literacy and numeracy skills to succeed in their schooling and
  - d. complete schooling and are well equipped to take up employment, training and higher education opportunities.
- 15. The Northern Territory recognises that engaging with Aboriginal and Torres Strait Islander students, families and communities in the development and implementation of education is the foundation for success. A number of formal and informal mechanisms exist to facilitate engagement with Aboriginal and Torres Strait Islander people, including the Northern Territory Government's 10-year commitment to local decision making and through the Northern Territory Department of Education's Community Led Schools initiative.
- 16. The Northern Territory will continue to work in partnership with the Commonwealth Government to deliver on the Indigenous Education Strategy and joint commitment on Closing the Gap between Indigenous and non-Indigenous children and students.
- 17. The Northern Territory Department of Education is undertaking a significant reform agenda with its Education NT Strategy 2018-2022 (the strategy). The strategy was developed through extensive consultation across education stakeholders and is based on sound evidence. The strategy commits to a strong public education system that ensures equity and gives every child the opportunity to engage, grow and achieve and recognises that educational success looks different for every student and for every school.
- 18. The strategy five key focus areas; quality teaching, school leadership, community engagement, data and accountability and differentiated support for schools. The Northern Territory will accelerate school improvement by ensuring schools' priorities are

narrowly focused and that the system supports schools to achieve better outcomes for children and students.

19. The design principles of the strategy are:
  - a. a sharp and narrow focus on actions that make a difference;
  - b. actions based on evidence;
  - c. a school improvement agenda that is everybody's business and we do whatever it takes;
  - d. students and their families, educators, the system and our partners have a shared understanding of our direction; and
  - e. all of our actions take an inclusive approach, and provide learning pathways for all students.
  
20. The Northern Territory is committed to delivering on directions set by the national reviews including; Review to Achieve Educational Excellence in Australian Schools, the Independent Review into Regional, Rural and Remote Education, the Review to Achieve Educational Excellence in Australian Schools through the Early Childhood Interventions and the STEM Partnerships Forum. In alignment with many of the recommendations of the reviews, the Northern Territory Department of Education strives to lift student outcomes in implementing initiatives in the following areas:
  - a. supporting individual student learning and achievement and reporting on student growth;
  - b. literacy and numeracy in the early years, including the implementation of the Foundations of Early Literacy Assessment Northern Territory, designed to assess both phonemic and phonological awareness;
  - c. in remote and very remote schools, continue to deliver the Literacy and Numeracy Essentials Program, incorporating ESL pedagogy, tailored to Aboriginal and Torres Strait Islander students;
  - d. minimum literacy and numeracy achievement for year 12 students;
  - e. creating inclusive schooling environment for all students;
  - f. incentives for teachers and principals to work in remote and very remote communities;
  - g. improve teacher proficiency in literacy, numeracy and English as a Second Language pedagogy through the literacy and numeracy coaching program;
  - h. strengthening school leadership to lead their school on the improvement journey;
  - i. increasing the number of Aboriginal and Torres Strait Islander people in the teaching workforce and school leadership positions;
  - j. commitment to ongoing data collection and improving access teachers have to data related to student learning needs; and

- k. enhance school and system reviews and quality assurance processes.
21. The activities listed in clause 20 are provided for context only and are not considered part of the agreement for the purposes of subsections 22(2) (b) and (c) of the Act.

### **Reform context – Independent school sector (including Northern Territory Christian Schools and Lutheran Schools)**

22. There are 20 member schools across the Northern Territory represented by the Association of Independent Schools of the Northern Territory (AISNT), with a total enrolment of approximately 6550 students. AISNT membership includes schools belonging to the Northern Territory Christian Schools system and the Lutheran Education South Australia, Northern Territory and Western Australia system, as well as the standalone independent schools.
23. AISNT is an advocacy body representing and promoting the diverse interests of independent schools in the Northern Territory. AISNT is not a system authority, but an advocacy and service organisation, providing information and advice to schools on many issues and promoting the sector to governments, the education community and the general public.
24. AISNT is incorporated under the Associations Incorporation Act and is a member of the Independent Schools Council of Australia (ISCA), which is representative of all State and Territory independent school associations.
25. Within existing legislative requirements, independent schools and systems are autonomous in their operations, determining their own curriculum and co-curricular programs, policies, employment of staff and management of resources, provided they meet the registration requirements under the Education Act (NT) 2016. They are responsible for setting their own strategic priorities and managing their service delivery to best meet the educational needs of their student body.
26. AISNT works closely with its member schools and systems to assist them in providing a meaningful education for each student taking into consideration each student's individual circumstances and context. The emphasis on education in the independent sector is quality, success, diversity, and choice.
27. AISNT also works closely with the Government and Catholic sectors of education to support opportunities for all Northern Territory students to achieve their best possible outcomes.

### **Reform context – Catholic Education school sector**

28. The Catholic Education Office of the Northern Territory (CEONT) provides a high quality education for over 5000 students across 18 schools in the Northern Territory including Aboriginal and Torres Strait Islander community schools, urban and regional primary schools and colleges. Catholic schools offer a high quality education alternative that provides a broad academic curriculum and is taught in an inclusive, faith-filled learning community where the focus is to teach the whole child.
29. The CEONT has recently developed its Strategic Plan 2018-2022 which includes goals and strategies across all aspects of school life including Catholic identity, leadership, teaching and learning, pastoral care and wellbeing, community and culture and finance, facilities

and resources. The reform activity outlined in this bilateral is consistent with, and supports the goals of, the strategic plan.

## Part 1 — REFORMS

### Reform activity

30. Building on the nationally agreed reform activities, this agreement sets out additional activities to be undertaken during the term of this bilateral agreement.
31. The reform activities agreed in this bilateral agreement align with the national reform directions of the National School Reform Agreement.
32. Bilateral reforms will include activity to support improved outcomes for specific cohorts of students as appropriate, including Aboriginal and Torres Strait Islander students.
33. The Northern Territory undertakes to work with the non-government school sector in the Northern Territory in the implementation of the reforms outlined in this agreement as follows:
  - a. bilateral reforms to be a standing item at quarterly Non-Government Schools Ministerial Advisory Committee meetings; and
  - b. ongoing/as needed communication between sector networks on the joint initiatives identified in the reform plan.
34. The Commonwealth will not impose financial or other sanctions on the Northern Territory for a failure by the non-government school sector to cooperate with the bilateral agreement, as outlined in the National School Reform Agreement. Nor will the Commonwealth impose sanctions on the non-government school sector for a failure of the Northern Territory Government to cooperate with them in the implementation of this bilateral agreement.

**Table 1: Northern Territory bilateral reform plan**

Actions	Sector(s)	Timing	Alignment with reform directions
<b>National Policy Initiatives</b>			
<b>All sectors commit to the implementation of the national reform initiatives within the context of the Northern Territory</b>	All sectors		
<p><b>Reform Direction C (i) – Enhancing the national evidence base</b>                      Implementing a national unique student identifier (USI) to support better understanding of student progression and improve the national evidence base</p> <ul style="list-style-type: none"> <li>Note there may be challenges for some small remote schools to successfully implement the USI due to limited capability and resourcing</li> </ul>	All sectors		
<b>Northern Territory Reforms</b>			
<b>Joint initiatives</b>			
<b>Implementation of NAPLAN Online</b>	All sectors		<b>Reform Direction A</b>
<ul style="list-style-type: none"> <li>Cohort of government and non-government schools implement NAPLAN Online</li> <li>Improved data processes in place to increase integrity of NAPLAN assessment data across both government and non-government sectors</li> <li>All eligible government and non-government schools implement NAPLAN Online, noting that, at the date of signing of this agreement, no tested no/low bandwidth solution has been delivered which may affect the Northern Territory’s ability to implement in those affected schools.</li> </ul>		May 2019  Sep 2019  May 2020	

Actions	Sector(s)	Timing	Alignment with reform directions
<ul style="list-style-type: none"> <li>Growth data available for first cohort of matched students who have NAPLAN Online in 2020 and 2022</li> </ul>		Sep 2022	
<b>Continued implementation of National Consistent Collection of Data (NCCD) with a focus on moderation and quality control measures</b>	All sectors		Reform Direction B
<ul style="list-style-type: none"> <li>Participation in two cross-sector moderation activities per annum</li> <li>Inclusion Support Coordinators in place and teachers trained to use the Learning with Diversity Integrated System</li> </ul>	All sectors  Catholic Education	2019-2023  2019-2023	



Actions	Sector(s)	Timing	Alignment with reform directions
<b>Sector initiatives</b>			
<b>Invest in pathways for remote and very remote students to provide opportunities and deliver workplace-specific skills and knowledge that is tailored to employment opportunities within communities.</b>	NTG		Reform Direction A
<ul style="list-style-type: none"> <li>• Mobile and embedded trainers working with approximately 15 very remote schools in 2018</li> <li>• Up to 225 students are engaged in accredited training</li> <li>• Up to 250 students annually, and their communities, engaged in accredited training</li> </ul>		2018  2019-2022	
<b>Support teachers through a system of coaching and mentoring to build teacher and school leader capability to ensure students have quality teachers who are proficient in literacy, numeracy and ESL pedagogy</b>	NTG		Reform Direction B
<ul style="list-style-type: none"> <li>• Project governance structure established through the network leaders within Education NT Strategy (coaches work under network leaders to work intensively with focus schools)</li> <li>• Identify focus schools based on school improvement data</li> <li>• Deliver intensive support to focus schools in 5-week sprints</li> <li>• Evaluate at end of each 5-week sprint – refine strategies where necessary</li> </ul>		2018  2018-2023	
<b>Strengthen local governance arrangements in remote and very remote school communities, ensuring decisions are community-led</b>	NTG		Reform Direction B
<ul style="list-style-type: none"> <li>• Develop Local Decision Making assessment continuum reflective of the Northern Territory Government Influence Model.</li> </ul>		By Dec 2018	

Actions	Sector(s)	Timing	Alignment with reform directions
<ul style="list-style-type: none"> <li>Northern Territory Council of Government School Organisations Incorporated (NT COGSO) to develop governance training protocols and schedule of visits and workshops in remote and very remote communities.</li> <li>Ongoing engagement with local communities to enhance school engagement and local governance across 50 per cent of remote and very remote government schools.</li> </ul>		<p>By Dec 2020</p> <p>By Dec 2020</p>	
<p><b>Implement a system wide, data driven, coherent school and system improvement framework. The reforms will drive evidence-based strategies that will deliver differentiated support for Territory schools and ensure a focus on continuous school improvement</b></p>	NTG		Reform Direction C
<ul style="list-style-type: none"> <li>Establish a School and System Improvement delivery unit to develop and implement a school and system improvement framework</li> <li>Develop standardised metrics for schools and system performance and improvement</li> <li>Develop resources identifying evidence-based school improvement strategies</li> <li>Evaluate the school improvement framework</li> </ul>		<p>Oct 2018</p> <p>2019</p> <p>By Dec 2020</p> <p>2021</p>	
<p><b>Assist schools to improve governance and financial management practices</b></p>	Independent Schools		Reform Direction B
<ul style="list-style-type: none"> <li>Provide leadership and school board professional development with an emphasis on roles and responsibilities and how to work effectively together</li> <li>Provide assistance and training for Independent schools to improve financial management</li> </ul>		<p>2018-2023</p> <p>2018-2023</p>	
<p><b>Assist schools to improve governance practices</b></p>	Catholic Education		Reform Direction B

Actions	Sector(s)	Timing	Alignment with reform directions
<ul style="list-style-type: none"> <li>• School leader and teacher recruitment and appointment processes reviewed and updated</li> <li>• Review of operations, personnel and structures to ensure support for schools is in line with best practice</li> <li>• Review and refocus the CENT School Improvement and Renewal Framework to ensure an ongoing, rigorous approach to school self-assessment and review</li> <li>• School Improvement Assessment, External Validation and Registration Renewal processes completed for all schools</li> <li>• Professional development programs and appraisal processes implemented for middle and senior school and system leaders.</li> </ul>		<p>2018</p> <p>2018</p> <p>2019</p> <p>2019-2023</p> <p>2019-2023</p>	

## Part 2 — NORTHERN TERRITORY FUNDING CONTRIBUTIONS

### Required funding contributions

35. Under section 22A of the Act, the Northern Territory must meet its funding contributions for the government and non-government sectors as a condition of receiving Commonwealth funding.
36. The funding contributions for the government and non-government sectors in 2017 (also known as the 2017 starting share) will be set out in the Regulation and will determine the default requirement if this bilateral agreement is terminated by either party.
37. The Northern Territory Government is committed to increasing investment in government and non-government schools. Under the agreement, on a per student basis, Northern Territory funding for government schools is expected to grow by over 30 per cent from \$14 595 in 2017 to an estimated \$19 339 in 2023. This equates to an average annual growth rate of 4.8 per cent over the next six years and is well above the rate of growth in the SRS and more than double the rate of growth required to maintain funding in real terms over the 2017 to 2023 period.

**Table 2: Estimate of Northern Territory per student funding and growth, government schools**

	2017	2018	2019	2020	2021	2022	2023
\$ per student	14,595	15,329	16,096	16,959	17,813	18,560	19,339
Growth		5.03%	5.01%	5.36%	5.03%	4.19%	4.20%

38. Further, the Northern Territory funding commitment under this agreement is to increase the Northern Territory's funding share of the SRS for government schools by 4.6 percentage points from the 2017 starting share to 2023.
39. In relation to non-government schools, the Northern Territory has committed to maintaining its funding share of the SRS under this agreement. This will mean that Northern Territory funding for non-government schools will grow in line with the SRS, growing in real terms over the next six years. This is in addition to the higher rate of funding that non-government schools in the Northern Territory will receive from the Commonwealth Government under the Quality Schools reform.
40. The Northern Territory's SRS per student is substantially higher than all other jurisdictions due to the disproportionate number of disadvantaged students and schools in the Northern Territory and the above average loadings these students and schools attract in the SRS. As such, the Northern Territory is required to make a higher effort relative to other jurisdictions to reach the same SRS target.
41. Based on 2017 estimates, the SRS per government student in the Northern Territory is about \$26 800. The Northern Territory's starting share of the SRS for government schools for 2017 is 54.4 per cent or \$14 595 per government student. The Northern Territory's starting share for government schools is about 90 per cent of the average SRS for

government schools for all States and territories which stands at \$16 000 per government student. Similarly, the Commonwealth Government provides about \$6400 per government student in the Northern Territory, or about 40 per cent of the national SRS per government student rate.

42. The 2017 starting shares for the Northern Territory for government and non-government sectors are:
  - a. 54.4 per cent for the government sector
  - b. 15.09 per cent for the non-government sector
43. The Northern Territory’s funding contributions for the government and non-government sectors agreed in this bilateral agreement are outlined in the table below for each year from 2018 to 2023. The minimum funding contributions are expressed as a percentage of the Schooling Resource Standard (SRS) as defined in Part 3 of the Act.

**Table 3: Northern Territory funding contributions from 2018 to 2023**

Sector	2018	2019	2020	2021	2022	2023
Government	55.20%	56.00%	57.00%	58.00%	58.50%	59.00%
Non-government	15.09%	15.09%	15.09%	15.09%	15.09%	15.09%

44. The funding contributions outlined above have been agreed based on the following rationale:
  - a. The Northern Territory’s funding commitments under this agreement should be considered in the context of the current subdued economic and fiscal conditions and the higher funding effort the Northern Territory makes on a funding per student basis relative to other jurisdictions.
  - b. The Northern Territory’s funding targets are ambitious in the context of the Northern Territory’s current fiscal and economic environment, with conditions expected to remain subdued and below trend over the medium term.
  - c. All key Northern Territory economic indicators are forecast to remain subdued or in some cases decline in the next couple of years, before gradually strengthening over the outlook period, but generally remaining below long-term trend.
  - d. The Northern Territory’s fiscal position has been significantly influenced by lower GST revenue and ongoing demand pressures for government services, particularly in the areas of health, welfare, housing and community safety. The Northern Territory Government has set a short-term target of maintaining an improving operating position over the budget cycle by ensuring growth in general government operating expenses is declining in real terms. However, in the absence of a recovery in GST revenue or other Commonwealth revenue, large fiscal deficits are likely to continue in the medium term.

- e. The Northern Territory's funding contribution against the SRS does not include the substantial investment the Northern Territory Government has allocated in the areas of remote community housing, and child and welfare safety. While these investments are outside the scope of the SRS, these investments will have significant positive impact on education outcomes of children in the Northern Territory.
- 45. If the reported contribution for a state or territory 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.
  - 46. In assessing compliance with this agreement, the National School Resourcing Board (the Board) will take into account mitigating factors that have contributed to non-compliance. This may include, but is not be 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. such as natural disasters).
  - 47. Consistent with clause 61 of the National School Reform Agreement and in the event of a change to the SRS that has a consequential impact on state contribution requirements, the Parties can agree to amend the contribution shares set out in clause 43 above, to ensure that the Northern Territory's funding 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 agreement commenced. The Commonwealth will facilitate this process by continuing to provide data required to enable the Northern Territory to calculate the amount of its contribution on an unchanged basis.

## Measurement of contributions

- 48. For the purpose of this Schedule, Parties have agreed the costs that are measured towards the Northern Territory's funding contribution requirements.
- 49. Consistent with the calculation of the SRS, the Northern Territory's funding contributions will be measured according to the 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 4 per cent of the total SRS for government sector each year for depreciation, direct school transport, and early childhood.

Note if the Northern Territory reports a lower proportion of the SRS than the 4 per cent cap for a year, the Northern Territory cannot subsequently increase the expenditure reported to a higher proportion of the SRS.

- b. All funding for the reform measures outlined in Part 1 of this bilateral reform agreement and the national policy initiatives outlined in the National School Reform Agreement (with the exception of any capital funding).

## Annual reporting to the Commonwealth

50. The following clauses set out the annual reporting arrangements for the Northern Territory for a year (Year T).
51. The Commonwealth will provide all states and territories with a Funding Estimation Tool in January Year T+1 prior to the state or territory's annual report with the final SRS data for Year T for the purpose of the Board's review of section 22A of the Act.
52. The Chief Executive of the Northern Territory Department of Education must provide an annual report to the Secretary of the Department of Education and Training for each year of the agreement.
53. The annual report for a year (Year T) must be provided no later than 31 October Year T+1 (i.e. 31 October of the following year).
54. The annual report must set out the following:
  - a. the total amount of funding provided by the Northern Territory for government schools in the Northern Territory for Year T as measured in line with clause 49 above
  - b. the total amount of funding provided by the Northern Territory for non-government schools in the Northern Territory for Year T as measured in line with clause 49 above
  - c. total full time equivalent enrolments for Year T relating to the funding amounts above.
55. The annual report must also specify the amount for each adjustment set out in clause 49 of this bilateral agreement as well as the amount for funding consistent with the specified NRIPS methodology.
56. Each amount included in the report must have been:
  - a. spent by the Northern Territory Government for schools (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 Year T and
  - c. not counted towards another reporting year for the purposes of this agreement.

Note this does not prevent the Northern Territory also including budgeted amounts in its report.
57. Each amount included in the report must be net of any Australian Government funding.
58. For each amount, except items listed in clause 59 below, the report must include evidence that the amount has been certified and is consistent with the agreed methodology in clause 49 of this bilateral agreement by either:
  - a. the Auditor-General of the Northern Territory or
  - b. an independent qualified accountant or

- c. an independent qualified accountant engaged by ACARA for NRIPS funding or
  - d. the Chief Executive of the Northern Territory Department of Education, but only up to 0.1 per cent of the SRS for the Northern Territory for all reported funding.
59. For the items listed below, the amounts must be certified in accordance with clause 58 above however it is agreed that evidence of certification will be provided after the annual report but no later than 31 January Year T+2:
- a. This clause relates to items where the State or Territory has provided evidence the amount does not typically have a material change once audited – i.e. NRIPS data and will be enacted as required.
60. The annual report may also provide an explanation and supporting evidence for the National School Resourcing Board's (the Board) consideration of any shortfall between the total amount reported for Year T and the agreed funding contributions for Year T in clause 56 of this bilateral agreement.
61. The Commonwealth will provide the Northern Territory's annual report to the Board for assessment of the Northern Territory's compliance for Year T with section 22A of the Act, including any funding requirements specified in this bilateral agreement.
62. The Commonwealth may request additional information from the Northern Territory on behalf of the Board and this information should be provided by the Northern Territory allowing no less than 21 days to respond. If the states do not provide information or advice in this timeframe, the Board will make an assessment based on the information and evidence available.
63. The Northern Territory will have an opportunity to provide further information for the Board's consideration following their receipt of the Board's draft findings.
64. The Northern Territory will also report annually on its use of additional funding provided under subsection 69B(1) of the Act through existing mechanisms for reporting.

## SIGNATURES


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




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**The Honourable Dan Tehan MP**  
Minister for Education  
Date 5/12/2018

**Signed for and on behalf of the Northern Territory by**




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**The Honourable Selena Uibo**  
Minister for Education  
Date 05/12/2018