



# 2021 School Budget Allocation Report: RAM overview

# Minister's message



**In a year of extraordinary challenge, we continue to provide funding certainty to every NSW public school to ensure needs-based funding is supporting improvement in student learning outcomes.**

It has been a remarkable and unprecedented year responding to the challenges presented by bushfires, drought and COVID-19. Staff across all our schools have demonstrated great commitment to keeping our schools safe and healthy places for our students to learn, grow and flourish.

This year has confirmed the critical role of education in preparing our young people to be ready to take on whatever challenges they might face. Every student needs to be engaged in learning to meet the challenges of a complex and dynamic society.

As we enter the eighth year of successfully delivering needs-based funding to NSW public schools, the distribution of funding through the RAM ensures certainty for schools and, importantly, that the best possible learning opportunities are provided to directly benefit our 2021 student cohort.

The NSW Government reaffirms our commitment to the implementation of needs-based funding, ensuring the needs of our students are at the centre of all decision making. We believe that every dollar counts and must be strategically invested so students that require additional assistance to meet their full potential receive the support they need.

In 2021, \$1.3 billion will be delivered to schools through the seven RAM loadings – the four equity loadings (socio-economic background, Aboriginal background, low level adjustment for disability and English language proficiency), the initiative loading for professional learning and the base loadings of location and per capita. This represents an increase from \$1.27 billion in 2020.

I am also pleased to confirm the continued delivery of funding in the following areas:

- \$33.3 million to be distributed to schools for specific purposes (SSPs) as a short-term relief provision, enabling SSP principals to be flexible in how they fill staffing gaps, after considering the local workforce supply, the needs of individual students and the school as a whole
- \$52.6 million to reduce the administrative workload of principals as part of the School Leadership Strategy, providing principals with additional time to focus on leading teaching and learning
- \$19.3 million support to small schools with teaching principals, including those in our rural and remote settings.

To reduce the administrative burden on schools, from 2021 the utilities allocation will be streamlined, with electricity and gas removed from the SBAR and the associated budgets and costs managed centrally.

The sharpened focus on school improvement continues in 2021, with additional support and guidance for school leaders. I encourage each and every one of you to engage with the process of integrating school funding within Strategic Improvement Plans to maximise outcomes for every single student and sustain improvement over time.

Schools are diverse and dynamic communities and school improvement is at the heart of the work we do. It must touch every classroom, be the work of every teacher and impact every student. This is a really exciting time for education in NSW.

**The Hon. Sarah Mitchell MLC  
Minister for Education and  
Early Childhood Learning  
October 2020**

# Five principles underpin the RAM methodology

## 1. The RAM is based on student and school need.

The funding provided to schools reflects the needs of individual schools and their students.

## 2. The RAM is evidence based.

The components of the model are underpinned by educational research and school and student data.

## 3. The RAM efficiently and transparently directs funds to schools.

Funding flows directly to schools and school leaders know the elements that make up their funding allocation.

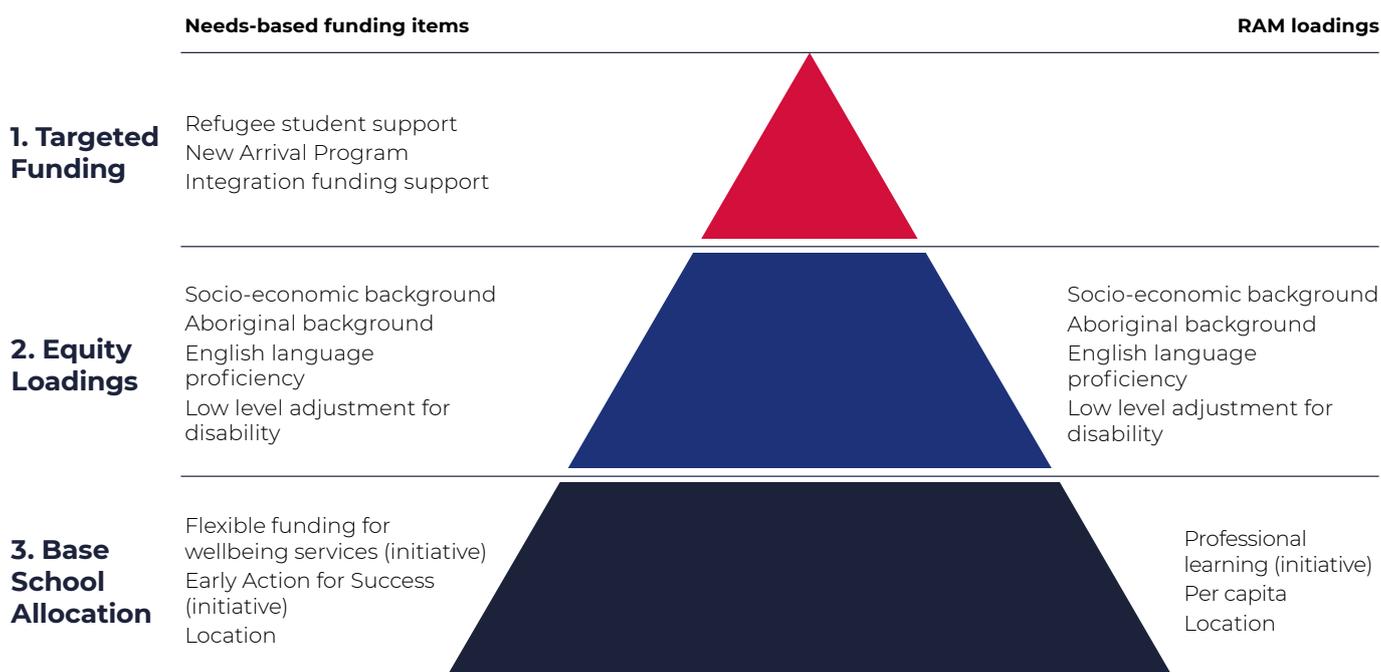
## 4. The RAM provides certainty for schools.

The model supports effective school planning and enables the needs of our most vulnerable students to be addressed.

## 5. The RAM is sustainable and adaptable.

The model has the capacity to adapt to policy priorities and changing student populations in the future.

# Components of the RAM



# Components of the RAM explained

**The RAM recognises that students and school communities are not all the same. They have different needs that require different levels of support.**

## Needs-based funding

Needs-based funding is delivered through the RAM and is defined as the recurrent resourcing targeted to students and schools based on demonstrated educational disadvantage. This funding intends to lift student learning outcomes and includes funding distributed directly to schools, and other resourcing provided indirectly or centrally by the department.

Through needs-based funding, we expect to see a reduction in the difference in educational outcomes between the least and most disadvantaged students in NSW public schools.

## RAM loadings

The seven RAM loadings typically do not change between School Budget Allocation Report (SBAR) and SBAR adjustments. This provides funding certainty from year to year and enables schools to strategically plan the use of resources.

## 1. Targeted funding

Many students with particular learning needs benefit from targeted individual support. Funding for this support enables schools to respond to additional student learning needs as they arise throughout the school year.

The RAM delivers dedicated funding to support the provision of personalised learning and support for these students.

This component of the RAM includes targeted funding for eligible students, including:

- students from refugee backgrounds who have been enrolled in an Australian school for less than three years
- newly arrived English as an additional language or dialect (EAL/D) students at the beginning and emerging phases of English language proficiency
- students with confirmed disability in mainstream classes who require moderate to high levels of adjustment.

## 2. Equity loadings

### Socio-economic background

The socio-economic background equity loading is to be used to meet the additional learning needs of students from low socio-economic backgrounds in the school.

### Aboriginal background

The equity loading for Aboriginal background is to be used to meet the specific learning needs of Aboriginal students in the school.

### English language proficiency

The equity loading for English language proficiency provides support for students at all four phases of English language learning – beginning, emerging, developing and consolidating.

### Low level adjustment for disability

The equity loading for low level adjustment for disability is an allocation to support students in mainstream classes who have disability and additional learning and support needs requiring an adjustment to their learning.

## 3. Base school allocation

The base school allocation provides funding for the core cost of educating each student and operating a school.

The base school allocation comprises staffing (at standard cost) and operational funding.

### Initiative funding

Initiative funding provides additional school resources to support identified needs within the context of that school. Initiative funding allocations support school activities focused on achieving excellence in teaching and learning.

## How the funding supports students

“In schools that excel, resources are strategically used to achieve high quality service delivery and improved student outcomes.” – The School Excellence Framework

Funding delivered through the RAM must be effectively aligned to the initiatives in the school's Strategic Improvement Plan (SIP). The SIP will identify school staffing and other resources that are needed to achieve maximum impact. All schools need to expend their funds in the calendar year in which those critical resources are delivered.

Principals and school leaders in NSW public schools are able to manage their total school budgets strategically in order to deliver improved learning outcomes for all students. Flexibility in the use of funding is about making evidence-based decisions and planning strategically to spend funding on meeting both school and student needs.

Schools use their funding to benefit students and the whole school community in targeted and innovative ways, which include:

- engaging expert teachers as instructional leaders to effectively lift student outcomes by building the capacity and professional knowledge of all teachers
- engaging specialist staff to collaborate with classroom teachers to build capacity in meeting the needs of identified students
- enhancing community consultation and engagement through parent education programs and the employment of community liaison officers, Aboriginal community liaison officers and other key staff members
- implementing programs including homework clubs, outreach centres, and mindfulness and positive psychology courses to enhance student well-being
- sharing specialist staff such as business managers, technical support officers, and subject specific teachers within communities of schools.

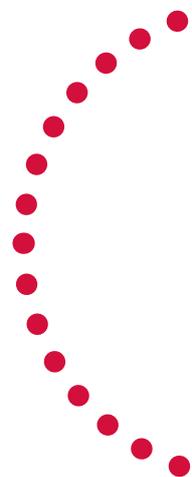
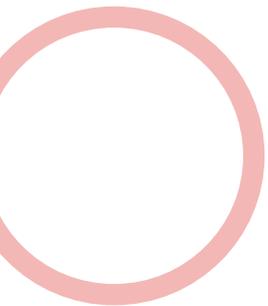
Accountability for the effective use of the funds to improve student learning occurs through School Excellence in Action, and the Strategic Improvement Planning and Annual Report process.

## Supporting the effective use of funding

A range of additional information, resources and professional learning opportunities are available for principals and staff including:

- the SBAR resource hub, a central location on the department's website for SBAR related information and support
- the 2021 SBAR essentials, containing key information to ensure the purposeful use of funding and examples of effective practice in schools
- the SBAR: new and notable changes webinar is delivered to highlight key changes to allocations and/or methodologies, and the implications for school planning
- the Excellence in resourcing course, a two-part course exploring School Excellence in Action from the perspective of evidence-based best practice in school resourcing
- the Introduction to the SBAR e-learning module, providing deeper insights into allocation methodologies and intended use of funding
- the SBAR: Getting started animation, providing an introductory overview of the structure and purpose of the SBAR
- leadership capacity development programs and resources coordinated by the School Leadership Institute, a component of the School Leadership Strategy.

For information about how schools are effectively using their funding to achieve improved student outcomes, please visit the RAM page of the department's website.



We acknowledge the homelands of all Aboriginal people and pay our respect to Country.

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