



# Supporting students with disability

PERFORMANCE AUDIT | 26 SEPTEMBER 2024

NEW SOUTH WALES AUDITOR-GENERAL'S REPORT

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In accordance with section 38EC of the *Government Sector Audit Act 1983*, I present a report titled '**Supporting students with disability**'.

A handwritten signature in black ink, appearing to read 'Bola Oyetunji'.

**Bola Oyetunji**  
Auditor-General for New South Wales  
26 September 2024



## RECONCILIATION COMMITMENT STATEMENT

We pay our respects and recognise  
Aboriginal people as the traditional custodians of the land in  
New South Wales.

We recognise that Aboriginal people, as custodians, have a  
spiritual, social and cultural connection with their lands and  
waters, and have made and continue to make a rich, unique  
and lasting contribution to the State. We are committed to  
continue learning about Aboriginal and Torres Strait Islander  
peoples' history and culture.

We honour and thank the traditional owners of the land on  
which our office is located, the Gadigal people of the Eora  
nation, and the traditional owners of the lands on which our  
staff live and work. We pay our respects to their Elders past and  
present, and to the next generation of leaders.

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## **Section one**

Supporting students with  
disability

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# Executive summary

## Background

Australian legislation protects the right of students with disability to a quality education, free from discrimination, and describes the obligations of education providers to these students.

Under the federal *Disability Discrimination Act 1992* (Cth) and related legislated *Disability Standards for Education 2005* (the Disability Standards), education providers have legal responsibilities to make education and training accessible to students with disability, including in enrolment, participation, curriculum and support services. This is to be done through providing 'reasonable adjustments' or measures and actions that assist students with disability to access education on the same basis as students without disability.

The NSW Department of Education (the Department) is responsible for supporting students with disability in NSW public schools. The Department and schools provide a range of adjustments and targeted supports, in consultation with the student and/or their parents/guardians. In 2023, approximately 206,000 children or young people in NSW public schools (around one-quarter of all public school students) had disability and received adjustments in NSW.

The state *Education Act 1990*, *Disability Inclusion Act 2014* and *Anti-Discrimination Act 1977* also protect the right of students with disability in NSW to a quality, accessible education free from discrimination. For public schools in NSW, legislative obligations are articulated in key policy and practice documents including the Inclusive Education Statement and Policy, NSW Wellbeing Framework for Schools, and Achieving School Excellence in Wellbeing and Inclusion tool and associated resources.

A number of key reviews conducted over the last two decades have considered the experiences of students with disability and the effectiveness of school and departmental practices in meeting their needs. In 2017, a NSW Parliamentary inquiry found that while there were many instances of excellence, the inclusive approach to education provision promoted in legislation and policy was not the reality experienced by many students with disability in NSW schools at that time. In response, the Department released its Disability Strategy in 2019 with a commitment to building a more inclusive education system in which all children thrive academically, physically, emotionally, and mentally. The strategy focused on four key reform areas:

- investing in teachers and other support staff
- developing new resource models and support to meet individual student needs
- streamlining processes and improving communication and access to information
- building an evidence base to measure progress.

## Audit Objective

This audit assessed whether the Department of Education is effectively supporting students with disability in NSW public schools. It reviews relevant evidence relating to the six calendar years 2018–2023, guided by the following questions:

1. Has the Department designed and delivered approaches that effectively support students with disability?
2. Is the Department addressing the needs of students with disability?

## Conclusion

**The Department of Education has effectively designed approaches and developed reforms aimed at improving the support provided to students with disability. However, key initiatives that target longstanding and well-known issues have not been implemented in a timely way, limiting the effectiveness of the Department's support for students with disability in NSW public schools.**

The Department, in its 2019 Disability Strategy, committed to building a more inclusive education system, 'one where all students feel welcomed and are learning to their fullest capacity'. Under the strategy the Department commenced new initiatives and strengthened existing ones to modify school funding, improve teacher skills and resources, enhance accessible school infrastructure, and increase engagement with students and families.

However, key initiatives have been in place for less than eighteen months, and some remain outstanding. The Department's efforts have not resolved longstanding issues including unmet demand for targeted supports, gaps in professional learning and practice guidance for school staff, and inconsistent central monitoring of school practice and outcomes data. This is despite the Department being made aware of these issues for almost two decades across multiple audits, parliamentary inquiries and the recent national Disability Royal Commission.

Since 2018 the proportion of NSW public school students with disability has grown from one-fifth to one-quarter. While the Department is making efforts across a range of disability reform areas, many students, families and schools continue to feel they have not been adequately supported.

The Department does not know how effectively it is meeting the needs of students with disability because it has not consistently monitored outcomes for students with disability or schools' inclusive education practices. Our own analysis of the Department's data shows that there has been improvement in some student learning outcomes, but deterioration in some measures of student wellbeing.

## Key findings

**The Department effectively designed its Disability Strategy based on evidence and broad stakeholder input, and provides a range of supports to schools for students with disability**

The Department defines an inclusive education system as one where all students feel welcomed and are learning to their fullest capacity. Under the 2019 Disability Strategy it committed to building this, and put in place a variety of measures to support schools in meeting the needs of students with disability.

In designing the strategy, the Department responded to the recommendations from the 2017 Parliamentary inquiry, and undertook a literature review analysis of evidence-based practices and personalised learning approaches. The Department also consulted widely, including with schools, experts and people with disability.

The Department introduced 15 new initiatives, and strengthened a similar number of existing ones, to better support students with disability in NSW public schools. These included initiatives aimed at:

- reforming the basis for relevant funding to better reflect student need
- increasing the provision of inclusive education courses in tertiary education and professional learning, and teaching resources for educators and school staff
- increasing access to allied health and school counsellor/psychologist services
- creating more inclusive learning spaces in school infrastructure
- improving communication to, and exploring ways to obtain better feedback from, students and parents/guardians.

The Department has established governance arrangements focused on inclusive education, and provides professional development and teaching resources for schools. Some specialist central staff roles are funded in regional teams and in schools across the state to advise schools in making reasonable adjustments for individual students with disability. The Department provides disability-specific funding on top of base school allocations, and funds infrastructure integration works in response to individual student needs for accessible school grounds. A full list of initiatives and supports for students with disability in NSW public schools is at Appendix two.

### **The Department's efforts to reform support for students with disability have not been timely**

Performance gaps in Department and school supports for students with disability have been repeatedly identified through public reviews over the last two decades. This includes unmet demand for targeted supports, gaps in professional learning and practice guidance for school staff, and inconsistent central monitoring of school practice and outcomes data. The 2017 Parliamentary inquiry, which the 2019 Disability Strategy responded to, found many of the same issues that were identified in our 2006 audit [Educating Primary School Students with Disabilities](#) conducted eleven years earlier. These concerns were also highlighted in a 2010 NSW Parliamentary inquiry and in five-yearly reviews of the federal Disability Standards. The Disability Strategy initiatives came thirteen years after many of the same risks were identified in our 2006 audit. Had these been implemented sooner, an entire cohort of students with disability who completed primary and secondary education in that time may have had a different schooling experience.

While the Department has delivered almost all the Disability Strategy initiatives since it commenced in 2019, the few that are outstanding are fundamental to determining the success of the Disability Strategy:

- reforming all streams of disability funding to be based on student needs, so that schools have more resources, and those resources will be more flexible
- consistently tracking outcomes for students with disability, families and teachers to understand what is changing in their lived experiences of education.

### **The Department did not examine whether actions in the Strategy were addressing the intent of previous recommendations**

The reform areas and initiatives in the Disability Strategy reflected evidence from previous reviews, as well as contemporary research literature and broad stakeholder consultation. Stakeholders we heard from - including academics, advocates and peak bodies - broadly agreed that the strategy addressed the right areas for action.

The strategy reform initiatives targeted areas that had been repeatedly identified as issues in previous public inquiries held over the past twenty years including: insufficient funding, workforce constraints, gaps in professional learning, inadequate outcomes tracking, and limited engagement with students and families.

While the Department advised that it has implemented the accepted recommendations from previous reviews into disability support and inclusive education, the Department's approach to tracking recommendations does not include assessing whether the action taken has met the intent of the relevant recommendation. Without this, there is a risk that previously identified gaps and performance issues are not addressed and persist or recur in the future.

While the Department's governance arrangements were suitable for the design and implementation of the Disability Strategy, the Department did not consider why areas that had been repeatedly identified were still not resolved. This audit found that students, families and schools continue to feel the impact of issues that the recommendations from past reviews aimed to improve, raising questions about the accountability for, and effectiveness of, the Department's responses.

### **The Department does not know how effectively it is meeting the needs of students with disability**

Schools are legally required to provide individualised supports to students with disability where these are needed for students with disability to be able to access and participate in education on the same basis as their peers without disability. The Department captures schools' data on the reasonable adjustments they are making for students with disability through the annual Nationally Consistent Collection of Data on students with disability (NCCD).

Where students with disability receive targeted supports such as placement in a support class or specific school funding to learn effectively in a mainstream class, schools are also required to annually review student needs in consultation with the student, their families and teachers, and respond to any changes.

The Department provides schools with guidance and specialist staff to support making reasonable adjustments for students with disability to access and participate in education on the same basis as their peers. However, the Department does not independently verify school evidence on adjustments made and does not have visibility of where reasonable adjustments provided are not meeting students' needs (for example, where targeted supports are not available) unless a complaint is made or escalated to the Department.

Stakeholders we heard from – both from schools and families – said that there can still be conflicting views about what reasonable adjustments are required in particular situations, and that information provided is vague. The Department has accepted the recommendations of previous reviews and the Disability Royal Commission to improve its guidance and resources for schools and families about reasonable adjustments.

The Department also has a legislative and policy obligation to understand and address the particular needs and potential barriers to accessing supports that may be experienced by students with disability who also have other identities or characteristics such as being Aboriginal, living in rural or remote areas, socioeconomic disadvantage, or speaking English as an additional language or dialect (also known as intersectionality).

While the Department has taken some steps to consider intersectionality for students with disability in its policies and resources, it has not reduced the impacts where these create compounding factors of disadvantage. The Department was unable to demonstrate that it was meeting the needs of these students.

### **The Department's criteria for accessing targeted supports for disability has not been updated in over 20 years**

If a student with disability has moderate to high needs and requires specialist support that cannot be met with existing school funding and staffing resources, their school may apply to the Department for targeted supports through the 'access request' process. Applications are decided by a panel of regional departmental staff including learning and wellbeing staff; primary, high school and Schools for Specific Purposes principal representatives; and a senior education psychologist.

Access to almost all targeted supports is limited to eligible students with disability who have a confirmed medical diagnosis that falls within the Department's 2003 disability criteria. These criteria exclude those students with undiagnosed disability or with diagnosed disabilities that fall outside the Department's criteria, such as attention-deficit/hyperactivity disorder (ADHD) and dyslexia.

Despite limitations with the current criteria being highlighted in multiple parliamentary inquiries over the past 13 years, the Department has not updated these criteria since 2003. It advises that updated criteria will be released from term four, 2024.

### **The Department does not have a clear and accurate picture of demand compared to supply, or the time taken for targeted supports to be provided to students**

The Department tracks if applications for targeted supports have been supported, deferred, declined or withdrawn through the access request panel process. However, the rationale for why an application has been deferred or declined is not consistently recorded in the system.

The Department does not maintain waiting lists for students deemed eligible for targeted supports where the support is not available. In particular, for support classes, while the Department has centralised statewide oversight of class numbers and locations to inform decisions about establishing new classes each year, it does not have a clear picture of demand at local geographic levels at any point in time.

Although recommended in our 2006 audit, the Department still does not monitor the time taken for targeted supports to be provided to eligible students after an application has been approved for provision, so cannot tell how long students with identified needs are waiting for supports to reach them.

### **The Department has not consistently monitored outcomes for students with disability**

The Department started to develop a framework to measure the outcomes of students with disability, at a system level, in 2019. These include wellbeing, independence and learning growth outcomes, informed by measures including students' perceptions, supports provided, educators' understanding and skills, and satisfaction of parents/guardians. The framework is comprehensive and evidence-based, and includes existing datasets to minimise the administrative burden on schools. The Department tested proposed measures to validate their reliability.

While there are many complexities in comparing progress and experiences across all students with disability due to the diversity across this cohort, and a range of data limitations that needed to be addressed, the implementation of this framework was not timely. Although the domains, outcomes and metrics for the disability outcomes framework were endorsed by the Department executive in 2022, the framework was still not fully operational in September 2024. Since executive endorsement, the Department has updated the framework to reflect the final accepted recommendations of the Disability Royal Commission and to ensure alignment with the NSW Government's 2023-2027 Plan for Public Education. It advises that it has started to implement the framework in a staged approach.

The Department has the ability to link data which identifies students with disability with a variety of its other datasets, such as student attendance, suspensions and expulsions, participation and results in the National Assessment Program – Literacy and Numeracy (NAPLAN) and the Higher School Certificate (HSC). The Department uses these linked datasets to inform the development of statewide policy and guidance on practice in schools periodically. However, it is not using the datasets to regularly monitor school practice, identify and address emerging issues, or identify and promote 'what works' to support students with disability.

The Department's School Excellence Framework involves schools self-assessing and peer-reviewing their performance in learning, teaching and leading at least once every five years, but this has not had a specific focus on inclusive education to date. A policy monitoring process involves schools reporting on their compliance with specific policies annually, but this did not include the Disability Standards until 2024. Schools provide some information in their public annual reports about their disability funding expenditure, but this reporting is not outcomes-focused.

The Department runs annual surveys of students, parents/guardians and teachers called 'Tell Them From Me'. This survey gives students with disability and their families a direct voice to schools and the Department, although the survey is voluntary and not accessible for some students with complex learning and communication needs (the Department is developing a suite of accessible tools to be able to seek feedback from these students in the future). However, the Department does not regularly analyse the Tell Them From Me survey response data to understand whether the experiences of students with disability or their families are changing since the Disability Strategy and related efforts.

Complaints are another way by which the Department can obtain insight into school practice and student outcomes. However, the Department does not have oversight of the number, type or trends in complaints that arise and are resolved at the school level, including those concerning students with disability.

The Department was aware from the 2017 Parliamentary inquiry and the Disability Royal Commission that students with disability and their families can be reluctant to make complaints to their principal about their school, perceiving a conflict of interest and risk of negative consequences. However, the Department was not seeking feedback from complainants about the resolution of their complaint when these were made at the school level, or from students with disability and their families more broadly (in the absence of complaints). The Department advises that it is taking steps in 2024 to seek and address feedback from parents/guardians on their experience in raising concerns at the school level.

### **The Department has not tracked the impact of the Disability Strategy on the experiences of students, families and schools**

Although the Disability Strategy outlined a vision for inclusive education and success measures that sought changed experiences of students, families and teachers, the Department did not establish a time horizon by which the strategy vision and success measures were expected to be realised, nor baseline information against which change could be assessed.

While it evaluated some individual initiatives under the strategy, it did not have an evaluation framework in place for the strategy as a whole and has not assessed how the experiences of students, families and schools have or haven't changed as a result of the implementation of the Disability Strategy overall.

### **The Department has taken steps to reform the distribution of disability funding, but this was not timely, and evidence on whether resourcing is adequate to meet the needs of students with disability remains unclear**

The Department has publicly acknowledged that 'effectively resourcing schools is crucial to building an inclusive education system and improving outcomes for, and experiences of, students with disability.'

Stakeholders to this audit – including parents/guardians, school staff and advocacy organisations – consistently said that existing funding to support students with disability is not sufficient to meet their learning needs. Most of the previous public reviews also identified inadequate funding as a key challenge to providing inclusive education.

The Department allocated annual disability-specific funding to NSW public schools totalling approximately \$1.1 billion in 2018 rising to \$1.9 billion in 2023. This represents an annual average cost above the base allocations of \$7,300 per student with disability in 2018 and \$9,300 in 2023.

The Department commenced a program of work in 2020 to review and reform the disability-specific funding provided to schools. This sought to change the distribution of funding so that resourcing is linked to a student's functional needs at school and reflects a school's efforts to support a student with disability relative to these needs, rather than relying on students' medical diagnoses or academic performance.

During the audit review period the Department:

- forecasted future funding needs
- revised the funding model for the disability equity loading allocated to mainstream schools to use towards all their students with disability who need supports, regardless of diagnoses – the Department estimated this would more than double the number of students who could be supported by this funding
- provided supplementary funding to Schools for Specific Purposes for 2020–2024, and
- sought government approval and resourcing to change the thresholds for targeted funding support for individual students with disability who have moderate to high learning needs in mainstream classrooms (not yet implemented).

While the Department made important advances in funding reforms, these efforts were not timely, coming around a decade after being recommended by the 2010 Parliamentary inquiry.

Nationally, evidence on the costs to schools to make adjustments to support students with disability is not clear. A 2019 federal review into the Australian Government disability loading for states and territories concluded that there was significant variation in these cost estimates and recommended that joint work be undertaken by the Australian, state and territory governments to produce more nuanced estimates.

In late 2023, the Disability Royal Commission made several recommendations to review disability funding and transparency in the education sector, which the Australian Government and state and territory governments jointly accepted in principle in July 2024.

### **The Department's data shows mixed results for students with disability**

Our analysis of the Department's data showed that there had been some improvements for students with disability in the time of the Disability Strategy. This includes an overall reduction in the number of suspensions and expulsions for students with disability, and an increase in the number of students with disability receiving HSC results.

However, there was limited individual student growth in NAPLAN exams over this time, and deterioration in some measures of student wellbeing relating to self-reports of a sense of belonging and experiences of bullying at school. Aboriginal students with disability were worse off than their non-Aboriginal peers with disability in relation to suspension, expulsion, individual student growth and reported experiences of bullying.

## **Recommendations**

### **By January 2026, the Department of Education should:**

1. At least annually, monitor the experiences and outcomes of students with disability to:
  - a) identify and address emerging issues
  - b) identify and promote good practice
  - c) take effective steps where there is a need to improve longer-term student outcomes, and
  - d) consider the impacts of intersectionality.
2. Continue to expand the use of NCCD data to support funding allocation in accordance with the needs of students with disability.
3. Work with the Australian Government on reviews of the disability loading settings to ensure NSW public schools are adequately funded to support students with disability.
4. Work with stakeholders to enhance guidance and practical support to public schools and families on reasonable adjustments for students with disability, including ways to resolve conflicting views in a timely manner.
5. Improve the planning and delivery of targeted supports by:
  - a) obtaining a clear and timely picture of the supply of, and demand for, targeted supports at a local and statewide level to identify and address constraints
  - b) monitoring the time taken for targeted supports to be provided to eligible students, and addressing delays so that adequate support is put in place once need is identified
  - c) reducing the administrative burden for schools in applying for targeted supports, and
  - d) making the basis for decisions transparent to schools and families.

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# 1. Introduction

## 1.1 Legal and policy framework

Australian and New South Wales (NSW) legislation protects the right of students with disability to a quality education, free from discrimination, and describes specific obligations of education providers to these students. Exhibit 1 outlines the key legislative requirements.

### Exhibit 1: Key legislative requirements

Legislation	Requirements
<i>Disability Standards for Education 2005</i> (Cth)	Requires education providers to ensure that persons with disabilities can access and participate in education on the same basis as a person without disabilities. The Disability Standards are Australian law under the <i>Disability Discrimination Act 1992</i> (Cth).
<i>Education Act 1990</i>	Requires the State to ensure that 'every child receives an education of the highest quality'. The objects of the Act include assisting each child to achieve his or her educational potential, and the Act allows for provision of special educational assistance to children with disabilities.
<i>Disability Inclusion Act 2014</i>	Commits the NSW Government to create a more inclusive community in which mainstream services and community facilities are accessible to people with disability to help them achieve their full potential. Recognises that a child with disability has the right to a full life in conditions that ensure their dignity, promote self-reliance and facilitate their active and full participation in family, cultural and social life.

Source: Audit Office summary of relevant legislation.

For public schools in NSW these obligations are reflected in several key documents published by the Department of Education (the Department) including the:

- Inclusive Education for Students with Disability policy which provides direction and guidance on supporting the inclusion of students with disability in NSW public schools, and associated personalised learning and support procedures.
- Inclusive Education Statement for students with disability and associated practice resources including professional learning.
- Achieving School Excellence in Wellbeing and Inclusion, which aligns key frameworks to the Disability Standards.

The legislative provisions outlined above mean that all students are entitled to enrol at their local public school and attend mainstream classes. There are no criteria related to disability type or level of support needs which impact this right. All principals and teachers have legal obligations to ensure that students with disability can participate in education on the same basis as their peers at every stage of their school life.

In 2019, through the release of the Disability Strategy, the Department committed to building a more inclusive education system in which all children thrive academically, physically, emotionally, and mentally, and develop skills to live independently. The Disability Strategy focuses on four key reform areas:

- investing in teachers and other support staff
- developing new resource models and support to meet individual student needs
- streamlining processes and improving communication and access to information
- building an evidence base to measure progress.

## 1.2 Identifying students with disabilities in NSW public schools

According to Departmental figures and projections by the Australian Bureau of Statistics, nationally the number of children with disability is increasing and was predicted to grow by 50% between 2020 and 2027.

In the NSW public school system, around one in five (or approximately 158,000 total) students were identified as having a disability in 2018. In 2023, this increased to around one in four students (or approximately 206,000 total). Exhibit 2 summarises the definition of disability given in the federal Disability Discrimination Act and related Disability Standards.

### Exhibit 2: Defining disability

The *Disability Discrimination Act 1992* (Cth) defines disability as:

- a) total or partial loss of the person's bodily or mental functions; or
- b) total or partial loss of a part of the body; or
- c) the presence in the body of organisms causing disease or illness; or
- d) the presence in the body of organisms capable of causing disease or illness; or
- e) the malfunction, malformation or disfigurement of a part of the person's body; or
- f) a disorder or malfunction that results in the person learning differently from a person without the disorder or malfunction; or
- g) a disorder, illness or disease that affects a person's thought processes, perception of reality, emotions or judgment or that results in disturbed behaviour;

and includes a disability that:

- h) presently exists; or
- i) previously existed but no longer exists; or
- j) may exist in the future (including because of a genetic predisposition to that disability); or
- k) is imputed to a person.

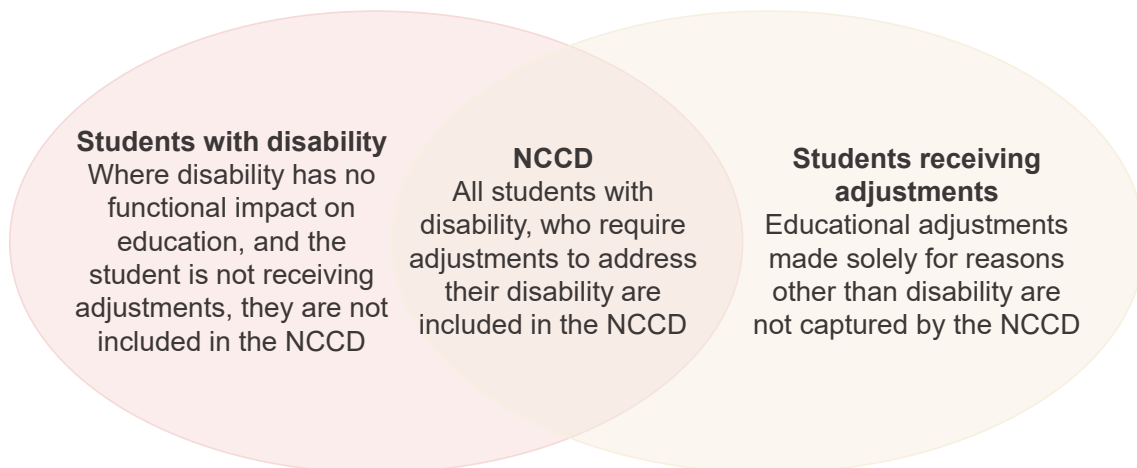
To impute a disability, a school must have reasonable evidence that a student's learning is impacted by disability. A student whose learning is affected by other factors, such as school attendance, proficiency with the English language, or disrupted schooling, would not be considered as having a disability.

Source: *Disability Discrimination Act 1992* (Cth) and NSW Education Standards Authority.

The Department uses the Nationally Consistent Collection of Data (NCCD) to identify and collect information about students with disability at a system level. The NCCD is an annual census undertaken in all schools across Australia to record adjustments made by schools to support students with disability so they can access and participate in education on the same basis as their peers without disability. These adjustments reflect the assessed individual needs of the student. They can be made at the whole-school level, in the classroom and at an individual student level. Throughout this report, we use the term 'students with disability' to refer to students with disability in NSW public schools receiving educational adjustments as recorded by the NCCD data collection.

Schools must have evidence that adjustments have been provided for a minimum of ten weeks within the 12 months before the NCCD census day to record the student in the NCCD collection. The NCCD does not capture data on students with a disability who do not need adjustments at school. Exhibit 3 illustrates when students with disability are captured in the NCCD collection.

### Exhibit 3: NCCD captures students with disability who require adjustments, not all students with disability



Source: Department of Education 2021, based on the Australian Government, Nationally Consistent Collection of Data (NCCD).

The number of students with disability receiving adjustments in NSW public schools is growing faster than the enrolment rate. Between 2018 and 2023, there was an overall reduction of 1.1% in the number of students enrolled in NSW public schools. However, there was a 30.5% increase in the number of students in NSW public schools with disability receiving adjustments over this same period.

At the school level, students with disability are identified through intake information gathered at enrolment, information provided by families after the student has started attending school, and/or through observations by classroom teachers and 'learning and support teachers', which prompt consultations with students, families and carers. This can lead to adjustments to ensure the student can access curriculum and other school programs, as well as potentially formal assessments and diagnoses.

## 1.3 Different educational settings

In 2023, there were 2,215 public schools in NSW, with over 99,000 full-time equivalent teachers and school staff dedicated to students. The Department offers a range of settings to provide access to education for all students, outlined in its 2023 publication 'NSW Education specialist settings'. These include: opportunity classes, selective high schools, distance education, creative and performing arts high schools, sports high schools, technology high schools, intensive English centres, support classes and Schools for Specific Purposes.

Three of these settings are most commonly referred to in respect of students with disability: a class in a mainstream school, a support class in a mainstream school, and a support class in a School for Specific Purposes.

- **Mainstream classes** – students with disability enrolled in mainstream (comprehensive) classes learning alongside their peers without disability may receive additional and specialised educational support depending on their individual needs. This may include through physical adjustments to the classroom, differentiated teaching by the classroom teacher, assistance from school learning support officers, advice from a dedicated learning and support teacher, supports from the school counsellor/psychologist and/or an allied health professional etc.
- **Support classes in mainstream schools** – located in some mainstream primary, high and central schools, support classes cater for students with moderate to high learning and support needs. These classes have fewer students than mainstream classes (typically ten students or less), based on a factor of educational support need. Every support class has a teacher and school learning support officer allocated. Teachers are responsible for planning personalised learning and support for each student. Students in support classes also have the opportunity to participate in mainstream school and community activities.

- **Schools for Specific Purposes** – these include specialist schools that cater specifically to students with moderate to high support needs through support classes, specialised programs, resources and support services. Schools for Specific Purposes support students with intellectual disability, mental health issues, autism, physical disability or sensory impairment, learning difficulties or behaviour disorders. They cater for students from kindergarten to Year 12.

In 2023, Department analysis showed that approximately 86% of students identified as having a disability in NSW public schools were learning in mainstream classes, 11% in support classes in mainstream schools and three per cent in Schools for Specific Purposes. Whether students with disability attend mainstream classes or support classes is informed by whether students meet the Department’s disability criteria, the choices and preferences of their parents/ guardians, and class availability.

The NSW Government’s July 2024 response to the Disability Royal Commission stated that it is ‘committed to supporting educational environments that cater effectively to all students, fostering inclusive practices while recognising the importance of choice and diversity in educational provision.’ It considers ‘that specialist settings play a crucial role in meeting the diverse needs of students and offer choice to families in selecting the most suitable educational environment.’

## 1.4 About the audit

The objective of this audit was to assess whether the Department of Education is effectively supporting students with disability in NSW public schools.

In making this assessment, the audit examined whether the Department:

- designed and delivered approaches that effectively support students with disability
- has been addressing the needs of students with disability.

The scope of the audit did not include:

- assessment of practices at individual NSW public schools
- the effectiveness of different education settings, such as mainstream schools, support classes and Schools for Specific Purposes
- system schools, such as catholic system schools and independent non-government schools, early childhood education and outside school hours care services or vocational education and training services
- assessment of the National Disability Insurance Scheme (NDIS) including the provision of supports during school hours
- in-depth examination of student behaviour management policies and practices – these are expected to be the focus of a future audit topic (see Appendix five)
- the merits of government policy objectives (see subsection 27B(6) of the *Government Sector Audit Act 1983*).

The audit review period was calendar years 2018 to 2023. The audit takes account of prior and subsequent events but does not assess the effectiveness of actions or efforts that were implemented outside this timeframe.

In this report, the term Aboriginal people is used to describe Aboriginal and/or Torres Strait Islander peoples.

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## 2. Previous reviews and current policy

### 2.1 Previous reviews

#### **Critical issues with the Department's provision of inclusive education have been identified repeatedly in previous public reviews**

A number of key reviews conducted over the last two decades have considered the experiences of students with disability and the effectiveness of school and departmental practices in meeting their needs, highlighting a number of recurring performance issues.

- Our 2006 audit report [Educating Primary School Students with Disabilities](#) observed that the Department has had a policy of 'inclusion' since 1980, giving students with disability the right to attend their local school, supported by 'special education' programs and classes where needed. This audit focused on special education services and made a number of recommendations to the Department on better tracking the quality, uptake and user experiences of these services.
- A 2010 NSW Parliamentary inquiry, [The provision of education to students with a disability or special needs](#), found the overwhelming view among inquiry participants was that there were significant inadequacies in the NSW education system for students with disability, and that immediate action to address these was needed if the NSW Government was to meet its legal obligations to ensure equal access to the education system for all children.
- Our 2016 audit report [Supporting students with disability in NSW public schools](#) examined how well the Department was managing the transition to school for students with disability (including starting kindergarten or high school, or changing schools) and supporting teachers to improve these students' educational outcomes. This concluded that while some public schools had supported students with disability to transition well, others had more to do before adequately meeting students' needs. Cultural resistance in schools and the lack of expertise of some teachers regarding disability were found to be the main barriers.
- A 2017 NSW Ombudsman report [Inquiry into behaviour management in schools](#) saw merit in mandatory training for school principals on the Disability Standards; and observed that school staff require specialised skills to provide individualised and targeted support to students with challenging behaviours, noting the complex connection between student behaviour, disability, trauma or other factors.
- A 2017 NSW Parliamentary inquiry, [Education of students with a disability or special needs in New South Wales](#) found that while there were many instances of excellence, the inclusive approach to education provision promoted in legislation and policy was not the reality experienced by many students with disability in NSW schools. It made a range of recommendations covering funding, monitoring and reporting, access to targeted supports, professional learning and practice resources for teaching staff, access to allied health providers, guidance for parents/guardians and schools on reasonable adjustments, supports in different educational settings, and complaint handling.
- The Australian Government's [five-yearly reviews of the national Disability Standards for Education](#) aim to test if these are effective in supporting students with disability to access and participate in education on the same basis as students without disability, and whether any improvements should be made. The last review was in 2020, which heard from participants that accountability for the implementation of the Disability Standards was lacking and was not driving needed changes to education systems overall. This review made recommendations to the Australian Government to amend the Disability Standards to include principles on consultation, issues resolution and complaints handling processes, and to promote awareness and training on the standards.

- The [Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability](#) (‘the Disability Royal Commission’) was established in 2019, with the final report released in September 2023. The inquiry had a national focus and examined the relevant experiences of people with disability in – but not limited to – educational settings. While not assessing the NSW public education system specifically, it made a number of recommendations to all states and territories, including to improve policies and procedures on the provision of reasonable adjustments, data collection and reporting, complaint management, and funding.
- The NSW Parliament also recently conducted an inquiry [Children and young people with disability in New South Wales education settings](#) which reported in August 2024 (outside the audit review period).

**The Department has not verified that previous review recommendations have been implemented in line with the outcomes sought**

We reviewed evidence on how the Department monitors the implementation of accepted recommendations from public reviews and inquiries such as those outlined above. This revealed gaps in ensuring that relevant activity meets the intent of the recommendation and resolves the issue/s that the recommendation meant to tackle.

Although the Department advised that it has implemented each of the 2016 audit recommendations, some remain relevant today, including to:

- continue to streamline processes to request a support class placement and integration funding to meet the educational needs of students with disability requiring targeted supports
- examine and implement further strategies to help teachers meet the learning needs of students with autism and mental health conditions
- improve how the Department monitors the learning outcomes for students with disability.

Similarly, the Department supported (36 recommendations) or supported in principle (three recommendations) all of the 2017 Parliamentary inquiry recommendations and advised that it has implemented each of them.

Some of the recommendations have not been fully delivered but there is evidence that the Department is progressing relevant work – for example, that the Department increase support classes in mainstream schools to adequately meet student need. While the Department has increased the number of new support classes in mainstream schools each year of the audit review period, it still does not have a clear picture of demand and supply to understand whether this is adequate to meet student need (see section 3.5 below). Similarly, recommendations about funding reform have been partially met but work is continuing in this area (see section 3.4 below).

While there has been progress across all the areas that were the focus of the 2016 audit and 2017 Parliamentary inquiry recommendations which prompted the Department’s 2019 Disability Strategy, many students, families and schools continue to feel the impact of the issues that these recommendations aimed to improve. For example:

- schools we spoke with during this audit said that the Department’s disability criteria still does not reflect contemporary understandings of disability or students’ functional needs, and restricts access to targeted supports
- stakeholders consider that existing funding models provide inadequate resourcing to meet the needs of students with moderate to high support needs in all educational settings
- schools and families do not have transparent information on the number of students seeking placements in support classes, and on waiting times for enrolment in these classes in particular areas
- the Department does not have visibility over schools using individual education plans (see section 3.6 below).

This raises questions about the accountability for, and effectiveness of, the Department’s responses to accepted recommendations.

In our 2021 audit looking at how effectively emergency response agencies address public inquiry recommendations, we recommended that the audited agencies:

- establish an approach to tracking the implementation of accepted recommendations from public inquiries (such as performance audits and Parliamentary inquiries) with minimum requirements including:
  - a senior executive is accountable for the approach
  - a senior executive action officer is accountable for implementation of accepted recommendations
  - there is regular reporting to an appropriate senior executive management group that highlights at-risk items
- accepted recommendations from public inquiries are formally acquitted based on evidence, including an assessment of whether the action taken has met the intent of the commitment to the accepted recommendation, and whether ongoing monitoring is required to embed changes made, and
- consolidated, summary information is published at least every 12 months on progress made to implement accepted recommendations from public inquiries.

The Department's approach to tracking the implementation of accepted recommendations from public inquiries does not involve assessing whether the action taken has met the intent of the recommendation, nor public reporting. Business areas provide regular updates to the Department's chief risk office, relevant executives and the independent audit and risk committee on the progress in implementing accepted recommendations, and they hold supporting evidence of this. From 2023, the Department's internal audit team began to verify this evidence for new accepted recommendations or those underway at that time (but not for previous recommendations that had been closed).

Without a process to assess whether action taken to implement an accepted recommendation is effective in meeting the intent of the recommendation, there is a risk that gaps and performance issues previously identified are not addressed and persist or recur in the future.

## 2.2 Disability Strategy 2019

### **The Department has committed to inclusive education and broadened efforts beyond those of earlier policies**

The Disability Strategy stated that the Department was 'committed to building a more inclusive education system, one where all students feel welcomed and are learning to their fullest capability'. Inclusive education was defined as meaning that:

'...all students, regardless of disability, ethnicity, socio-economic status, nationality, language, gender, sexual orientation or faith, can access and fully participate in learning, alongside their similar aged peers, supported by reasonable adjustments and teaching strategies tailored to meet their individual needs. Inclusion is embedded in all aspects of school life, and is supported by culture, policies and everyday practices.'

The success of the Disability Strategy was to be judged by the experiences of teachers, families and students, as outlined in Exhibit 4.

**Exhibit 4: Signs of success for the Department of Education’s 2019 Disability Strategy**

Students will	Families will	Schools will
<ul style="list-style-type: none"> <li>• feel welcomed into their local school community</li> <li>• experience more responsiveness to changes in their needs</li> <li>• have more involvement in decisions about their education</li> <li>• experience smoother transitions between schools and settings</li> <li>• receive a clearer demonstration of learning outcomes from teachers.</li> </ul>	<ul style="list-style-type: none"> <li>• be treated as partners and recognised as experts of their child</li> <li>• receive earlier identification and support for their children</li> <li>• find it easier to connect with other families with similar needs</li> <li>• have better and easier experiences with our system (including complaints)</li> <li>• be provided with more consistent information from schools, NDIS providers and health services.</li> </ul>	<ul style="list-style-type: none"> <li>• have more resources, and those resources will be more flexible</li> <li>• find it easier to find and use evidence-based professional learning and tools</li> <li>• be able to access specialist teachers and other experts</li> <li>• experience more celebration and sharing of what schools are doing well</li> <li>• be supported by facilities that are progressively designed and built to cater better to all students needs.</li> </ul>

Source: Department of Education 2019.

The Disability Strategy’s attention to the diversity, rights and voice of students with disability – and the involvement and experiences of students, families and teachers – distinguished it from the preceding policy in place since 2012, ‘Every Student, Every School’. The previous policy aimed to provide better learning and support by focusing on professional learning for teachers, specialist teachers in classrooms, information and expertise to support teaching and learning, and assessment instruments to understand students’ needs.

The 2019 Disability Strategy had a broader focus and centred the concept of inclusive education. It introduced 15 new initiatives and strengthened a similar number of existing initiatives. These went beyond teaching to address inclusion more broadly through initiatives aimed at:

- reforming the basis for relevant funding to better reflect student need
- increasing the provision of inclusive education courses in tertiary education and professional learning, and teaching resources for educators and school staff
- increasing access to allied health and school counsellor/psychologist services
- creating more inclusive learning spaces in school infrastructure
- improving communication to, and exploring ways to obtain better feedback from, students and parents/guardians.

The Disability Strategy came with \$30 million to deliver new initiatives along with \$175 million for the maintenance of the existing integration funding support and the disability equity loading funding for schools to support growing numbers of students with disability (see section 3.4). Some initiatives were expected to improve resourcing arrangements over time by better targeting funding to schools, and building the evidence base on what works to meet student needs. There were also a number of longstanding funded supports for students with disability that were continued as ‘business as usual’ but fell outside of the Disability Strategy.

A full list of Disability Strategy initiatives and other relevant supports is at Appendix two.

## **The Department effectively designed its Disability Strategy based on evidence and broad stakeholder input**

In designing the Disability Strategy, the Department responded to the recommendations from the 2017 Parliamentary inquiry, undertook a comprehensive literature review analysis of evidence-based practices and personalised learning approaches, and consulted widely, including with schools, experts and people with disability.

Together, the previous reviews identified the following gaps in the Department's provision of inclusive education to students with disability:

- insufficient funding for schools to support students with disability to access education on the same basis as their peers, both in mainstream schools and Schools for Specific Purposes
- unmet demand for support classes and other targeted supports
- outdated disability criteria used as a basis to manage access to targeted supports
- workforce constraints, including in the supply of teachers with inclusive education training and/or experience, school counsellors/psychologists, and school learning and support officers
- a need for enhanced professional learning and practice guidance for school staff – including pre-service and existing teachers, support staff, and school leaders – on legal obligations to make reasonable adjustments
- a lack of monitoring and responding to relevant data about service provision and student outcomes, and
- the need to engage with students and their families to understand their lived experiences.

The Disability Strategy reform focus areas aligned with these gaps, and stakeholders we heard from - including academics, advocates and peak bodies - broadly agreed that the initiatives addressed the right areas for action. The strategy also aligned with relevant legislative obligations.

## **The Department's governance arrangements were suitable for the design and implementation of the Disability Strategy**

The Department had centralised governance arrangements in place in time to give relevant senior decision makers sufficient authority and oversight of the Disability Strategy. These included both established and new forums, including meetings of the full executive (Secretary and Deputy Secretaries) and sub-executive (relevant Deputy Secretaries and Executive Directors), steering and working groups for delivery, and consultative groups with academics, sector representatives and people with disability.

A key entity, still in place, is the Disability Steering Committee. Its purpose is to provide the Department senior executive with strategic and operational advice on disability priorities, agree the projects and initiatives for action, take responsibility for delivering against set key performance measures and outcomes, and evaluate impacts. Membership includes departmental representatives at Executive Director or Director level.

Relevant delivery teams in the Department managed projects within the Department's existing structures including divisional governance mechanisms and department-wide systems. Priority project updates were considered by the Disability Steering Committee, including risk detail and adjustments to implementation if needed.

Departmental executive governance bodies gave considerable time to considering core elements of the Disability Strategy reforms. Clear briefings were submitted in a timely fashion to senior decision makers - including Executive Directors, Deputy Secretaries, the Secretary and the Minister - at key decision points. Efforts and practices at the school level were monitored by the Department through the relevant existing organisational division and department-wide systems.

The Department established an external Disability Strategy Reference Group to provide it with advice in meeting the objectives and commitments of the Disability Strategy. Chaired by the Department, its members include representatives from academia, community organisations, individuals with experience in supporting or advocating for students with disability, school leaders and Departmental staff. The terms of reference make clear that the group was advisory and not expected to make key decisions.

The Department regularly met with the Reference Group on the strategy initiatives during implementation, but it was not clear that it sought advice from the group rather than providing the group with information on decisions the Department had already made. It is also unclear whether members of the group felt their feedback to the Department was heard, and/or actioned.

The Department's central governance arrangements for the Disability Strategy and related initiatives provided cross-divisional decision making, and visibility over individual initiatives. Relevant governance committees ensured the relevance and prioritisation of projects and initiatives under the four areas of reform. These arrangements had effective authority and levers to coordinate action, marshal resources and drive statewide delivery of the Disability Strategy.

The Department monitored progress in implementing the Disability Strategy by tracking individual initiatives using data dashboards and conducting or commissioning research and evaluations.

While the Department's governance arrangements were suitable for the design and implementation of the Disability Strategy, they did not take a longer term perspective on why issues that had been repeatedly identified in the provision of inclusive education through prior public reviews were still not resolved.

**The Department has delivered almost all Disability Strategy initiatives but those outstanding are pivotal to determining the success of the strategy**

The Department did not set a time horizon for the Disability Strategy by which its vision and commitments were to be realised. Nor did the Department set out explicit targets for each of the strategy initiatives, or baseline information against which change in measures of success could be assessed. This limited the public accountability of the Disability Strategy.

The Department delivered almost all the Disability Strategy initiatives in a four-year period but the few that are outstanding are critical to determining the success of the strategy.

Several of the Disability Strategy initiatives were completed in its first two years, and the Department then refocused activity to prioritise efforts on other related work including:

- provision of reasonable adjustments
- improved communications
- addressing exclusionary discipline, and
- complaints mechanisms.

However, specific targets were not set to drive implementation for most of the Disability Strategy initiatives. While the Department explored data on the current state before the strategy was introduced in 2020, and through the development of the outcomes framework for students with disability, this was not used as a baseline to measure change.

The few Disability Strategy initiatives that remained outstanding at the end of 2023 had been worked on throughout the life of the strategy and were still underway at the time of writing. These measures are fundamental to determining whether the Disability Strategy has been effective by the signs of success nominated in the strategy:

- reforming disability funding to be based on student needs so that schools have more resources and those resources will be more flexible, and
- consistently tracking outcomes for students with disability, parents/guardians and teachers to understand what has changed in their lived experiences of education.

These two initiatives are discussed in sections 3.4 and 3.6 below.

### **There was regular public reporting on implementing the Disability Strategy until 2022, but this did not give a clear sense of progress made or outcomes achieved**

The Department met the requirement (set out in an accepted recommendation of the 2017 Parliamentary inquiry report) to table an annual Ministerial Statement to Parliament on progress in relation to supporting students with disability in NSW public schools, for the life of the Disability Strategy.

The Department has not publicly reported on Disability Strategy implementation since 2022, reflecting several shifts in 2023 including the release of the Plan for NSW Public Education and final report of the Disability Royal Commission, as well as existing annual reporting and Disability Inclusion Action Plan processes. Transparency and accountability of the Disability Strategy would have been enhanced if consolidated public reporting had continued and included information about outcomes achieved.

The annual progress reports for 2019 to 2022 are publicly accessible and can be found on the Department's Disability Strategy webpage. Accessibility could be improved by providing more of the reports in an 'Easy Read' format (a format accessible for some people with low literacy, intellectual disability and/or English as another language or dialect).

The annual reports were comprehensive and identify key achievements (delivered or on track) for all four reform areas of the Disability Strategy. However, it is unclear what commitments have been achieved without comparing reports across years. The Department identified barriers to progress only once (in relation to outcomes tracking in 2021). As the Disability Strategy did not set targets for the reform areas or initiatives it contains, it is difficult for the reader to assess whether the achievements listed represent completion of the commitment, slow or significant progress, or underperformance.

There was also no feedback mechanism specific to the Disability Strategy public reporting, and no evidence to indicate that the Department ascertained whether these communications were received and understood by stakeholders.

### **The Department's efforts were not timely**

The reform areas and initiatives in the Disability Strategy reflected evidence from previous reviews, research literature and contemporary stakeholder consultation. However, they also responded to issues that had been repeatedly identified through multiple public reviews which had themselves considered relevant evidence, including testimony from stakeholders, at the time they were conducted.

The Department's 2019 Disability Strategy initiatives came thirteen years after many of the same risks were identified in our 2006 audit. Had these been implemented sooner, an entire cohort of students with disability who completed primary and secondary education in that time may have had a different schooling experience.

For the strategy initiatives which were not implemented by 2023 – particularly improved access to targeted supports, and centralised outcomes tracking to understand the experiences of students with disability – almost twenty years have passed since the gaps they targeted were publicly identified as challenges for inclusive education. The Department's efforts were not timely.

# 3. Addressing the needs of students with disability

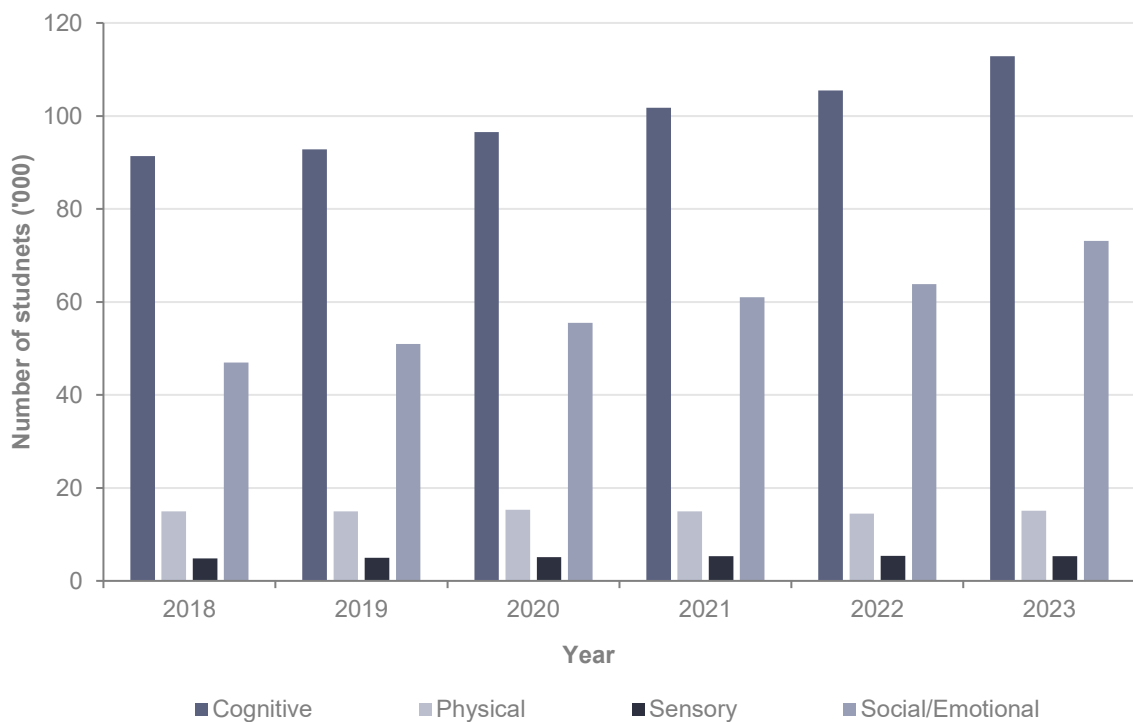
## 3.1 Identifying the needs of students with disability

**The Department has processes in place to identify - at a systems level - students with disability who need learning adjustments**

The Department uses the annual Nationally Consistent Collection of Data (NCCD) to identify, at a systems level, students with disability who need educational adjustments. There are four broad categories of disability used in the NCCD data collection: physical, cognitive, sensory and social/emotional. These align with the definitions in the federal *Disability Discrimination Act (Cth)*, as detailed in Appendix three. Schools must nominate a single primary disability for each student they report in the NCCD census. If a student has multiple disabilities, teachers and school teams determine which disability category has the greatest impact on the student’s education and is the main driver of adjustments to support the student’s access and participation. This decision is based on professional judgement.

Exhibit 5 provides an overview of the prevalence of different categories of the primary disability for students in NSW public schools over the audit review period. Between 2018 and 2023, there was a 56% increase in the number of students with social/emotional disabilities, and a 24% increase in students with cognitive disabilities.

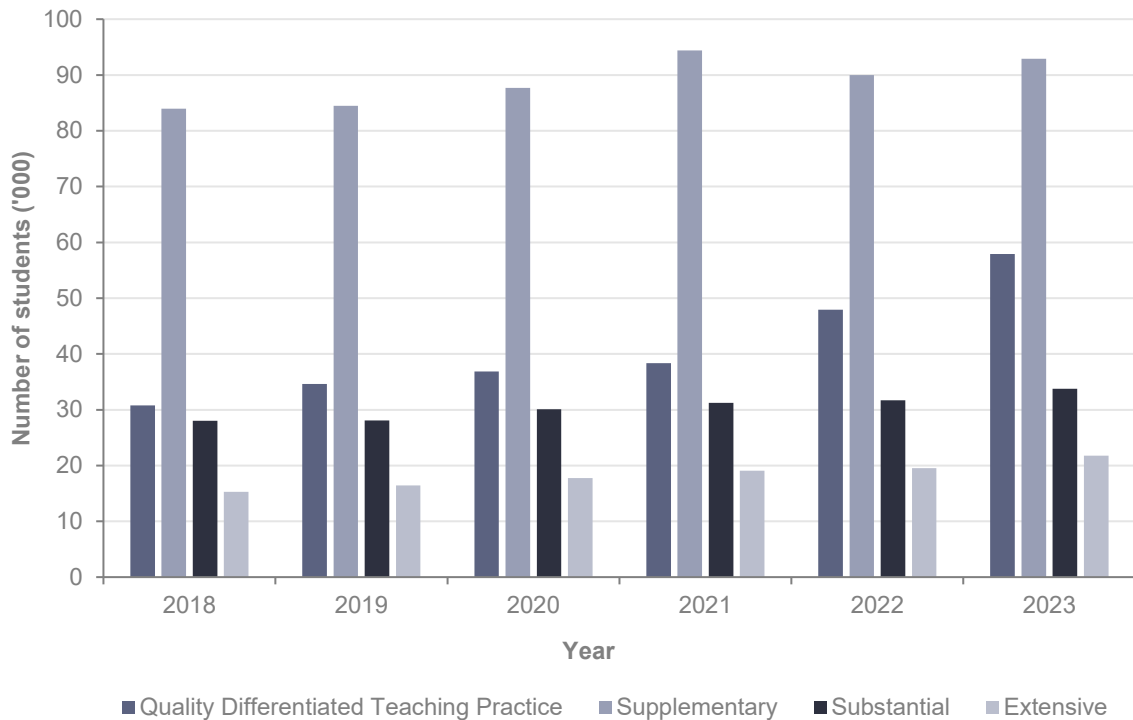
**Exhibit 5: Number of students with disability in NSW public schools by NCCD category of disability, 2018–2023**



Source: Audit Office analysis of Department of Education NCCD data.

There are four levels of adjustments used in the NCCD (see Appendix three). The frequency and intensity of the adjustments increases through the levels of adjustment (quality differentiated teaching practice, supplementary, substantial and extensive). Exhibit 6 provides an overview of the prevalence of each of these levels of adjustments reported by NSW public schools to be used to support students with disability over the audit review period.

**Exhibit 6: Number of students with disability in NSW public schools by level of adjustment reported by schools, 2018–2023**



Source: Audit Office analysis of Department of Education NCCD data.

The proportion of students in each category of disability and level of adjustment varies by school across NSW.

### The Department is taking steps to enhance the accuracy of NCCD data collection

The Department is moving towards using NCCD data to determine disability funding allocations to schools. However, the NCCD data may not always give an accurate picture of the needs of students with disability. The Department continues to work on enhancing the accuracy of NCCD data collection.

The NCCD data collection captures teacher judgement about the adjustments they have made for students with disability to support them to participate in education on the same basis as their peers. Successful NCCD data collection relies on teachers making accurate and consistent judgements on the category of disability and level of adjustment for students in their class, particularly for those who do not have a diagnosed disability. Teacher judgements and assessments of student need may vary depending on the school context, the child or young person's development and their particular strengths and needs at a point in time, as well as individual teachers' experience, proficiency and confidence in supporting students with disability.

In 2022, the Department commissioned a research report assessing the reliability and consistency of NCCD teacher judgements across a sample of 158 public schools in NSW. This found that teachers' assessments matched the NCCD level of adjustment submitted for that school about two-thirds of the time, with higher reliability for physical and sensory categories of disability. The Department advises it has been developing improved information, tools and guidance to support schools in the NCCD data collection, including in relation to improving teacher judgement.

Given the increasing use of NCCD data to inform funding distribution to schools, it will be important that this data collection gives an accurate picture of the needs of students with disability in NSW public schools.

### **Schools identify individual students with disability through advice from families, specialists and teacher observations**

NSW public schools have a variety of processes in place to identify individual students with disability and their needs. Needs are those that impact on learning but are not limited to academic performance. Behaviour, emotional disturbances, social, communication and personal care needs are also considered. However, there can be barriers to accurately identifying individual student needs.

Schools may receive information from parents/guardians, preschools, or previous schools during the enrolment process, including if the child has received a formal diagnosis. There are some barriers to identifying students with disability at this stage, including a lack of information on children who are enrolling from interstate or did not attend preschool. Parents/guardians may also not be aware, or be reluctant to recognise or identify, that their child has a disability.

Once a student is attending school, families may provide further information and/or additional screening, observations, assessments, and school-based programs may be undertaken by schools or allied health professionals. Teachers will also consider the reading and numeracy, as well as social and communication, skills of the child or young person as they do for all students in their class.

Schools may collect information on students' needs in order to impute a disability, with assistance from a school 'learning and support team' including a school counsellor/psychologist, and in discussion with the student's family. This is not a replacement for receiving a formal diagnosis, which is required to receive targeted supports from the Department for the student.

There are well-known existing barriers to receiving a formal diagnosis by a paediatrician or psychologist. These include long waitlists, large geographic distances to reach health services in rural and remote locations, and the expense and time required to access private services. Some schools we visited told us about ways in which they try to assist families to overcome these barriers including by helping them to connect to services and make appointments, providing or funding transport to get to health services, and offering financial assistance to cover the costs involved.

Other stakeholders who contributed to the audit told us that schools may not identify or effectively support a student with disability who needs adjustments if they are not displaying challenging behaviours or academic underperformance (for example, gifted students with disability).

### **The Department and schools gain insights into the needs of students with disability through surveys and stakeholder consultation**

The Department and schools use surveys and stakeholder consultation to obtain insights into the needs of students with disability.

The Department runs an annual voluntary survey of students, parents/guardians and teachers called 'Tell Them From Me'. This gives students and their families a direct voice to schools and the Department. While most students with disability can participate in the survey with support, it remains inaccessible for some. The Department is undertaking a project to design different tools for schools to obtain feedback from students with complex learning and communication needs from 2026 (see section 3.6 below).

The Tell Them From Me surveys are a way for the Department and schools to gain a view of student engagement, wellbeing and teaching practices from the perspective of students and parents/guardians as well as teachers. This helps to illuminate areas of need beyond curriculum and physical adjustments in the classroom. For example, Tell Them From Me survey data shows that students with disability are less likely to agree that teachers advocate for them, or to feel a sense of belonging at school, compared with their peers who do not have disability.

The Department considered survey data in developing the Disability Strategy and related initiatives and intends to use this as one of the data inputs for the disability outcomes framework in the future (see section 3.6 below).

The Department's consultation with stakeholders during policy development also helps to identify the needs of students with disability. The Department planned approaches to stakeholder consultation in the design and delivery of the Disability Strategy, including with people with lived experience as a parent/guardian of a student with disability, school staff and disability advocates. The Department provided information to, and sought input from, stakeholders during these consultations.

We have seen examples of the Department acquitting feedback from external stakeholders including from people with disability and from schools. However, this was often at the point of new initiatives being launched rather than at the design stage. Some stakeholders we consulted believed the Department did not often seek stakeholder views early enough for these to influence the scope and details of initiatives or supports, and did not share meaningful information on their implementation or outcomes.

The Department could improve how it uses stakeholder consultation to identify the needs of students with disability and develop initiatives in response by seeking external feedback early in the design process, and making transparent how this feedback is considered and applied.

## 3.2 Department support to schools

**The Department sets expectations for schools to provide inclusive education, but these may not be consistently realised 'on the ground'**

The Department outlines obligations for NSW public schools in supporting students with disability in several key documents.

The Inclusive Education Statement, issued under the Disability Strategy, provides direction and guidance on supporting the inclusion of students with disability in NSW public schools. This explains how the concept of inclusive education in the strategy can be given effect, including through:

- education environments that adapt the design and physical structures, teaching methods, curriculum, culture, policy and practice so that they are accessible to all students without discrimination
- high expectations of all students and personalised support for students where needed so they are engaged and learning to their fullest capability, while acknowledging the importance of parental choice in the type of education and educational settings for their child
- ongoing reflection, evaluation and reform at all levels across the Department and schools.

The statement contains six principles to guide the implementation of inclusive education, detailed in Appendix four. These include student agency and self-determination, parent/guardian inclusion, social and cultural inclusion, as well as curriculum inclusion.

In 2022, the Department launched the Inclusive, Engaging and Respectful Schools package, which brought together new policies and system-wide supports on inclusive education for students with disability, student behaviour management and restrictive practices (Appendix five). This package was discontinued as part of a government directive in 2023 and new guidance to schools is in the process of being issued.

The Department has produced practice resources including teaching tools, professional learning, and the Achieving School Excellence in Wellbeing and Inclusion tool which aligns key frameworks to the Disability Standards to help schools understand their obligations. For example, the Department developed the Inclusive Assessment Program to measure literacy and numeracy for students with complex learning needs. It provides educators with two integrated online assessment tools to assess, support and scaffold learning for students with moderate to severe intellectual disability, or mild intellectual disabilities who require extensive support for emotional regulation, or physical disabilities who need support developing their early language and learning skills, particularly those who may be non-verbal and/or pre-intentional in their communication.

The Department uses a range of processes to ensure schools monitor and implement the required curriculum and policies in every school. Some of these processes are built into the School Planning and Reporting Online software platform, whilst others are monitored by other business units and teams in the Department. However, as discussed in section 3.6 below, these have not had a specific focus on inclusive education until recently.

Some stakeholders to the audit reported experiences of inconsistent or absent inclusive education practice and/or poor student behaviour management at schools. These were also the focus of many of the disability complaints received by the Department in the audit review period. This suggests that the objectives of the inclusive education policy framework may not be consistently realised 'on the ground'.

### **The Department provides guidance and support on reasonable adjustments to support students with disability access education, however this could be strengthened**

Schools are legally obliged to provide individualised supports to students with disability based on their needs in relation to accessing education. The Department does not have visibility where reasonable adjustments provided are not meeting students' needs (for example, where targeted supports are not available) unless a complaint is made or escalated to the Department. The Department advised that, from 2024, there is an annual compliance process that requires principals to confirm that at their school there are processes in place to ensure reasonable adjustments for all students who need this and that there is evidence available at the school to support this.

Australian legislation requires education providers to make 'reasonable adjustments' which are measures and actions that assist students with disability to participate in education on the same basis as students without disability. The particular adjustments required will depend on what's reasonable considering:

- the individual needs of the student and the nature of their disability
- the effect of the adjustment on their ability to achieve learning outcomes, participate in education and be independent, and
- the effect of the adjustment on anyone else affected, including the costs and benefits of making the adjustment.

Types of adjustments may include curriculum, instructional, specialist support, environmental or assessment and reporting adjustments.

Under the NCCD model, schools must collect and maintain evidence of personalised learning and support for students with disability, including evidence of:

- consulting and collaborating with the student and/or their parents/guardians or carers
- identifying and assessing the needs of the student
- providing adjustments to address the identified needs of the student
- monitoring and reviewing the impact of adjustments.

The Disability Standards provide that an adjustment is reasonable in relation to a student with a disability if it balances the interests of all parties affected. Judgements about what is reasonable for a particular student, or a group of students, with a particular disability may change over time. The Disability Standards generally require providers to make reasonable adjustments where necessary. There is no requirement for schools to make unreasonable adjustments.

The Department provides guidance and specialist staff in its 'Team Around a School' model to support schools in making reasonable adjustments. Exhibit 7 outlines the Department's guidelines to schools about deciding whether an adjustment is suitable or reasonable.

### **Exhibit 7: Department of Education 'reasonable adjustment' guidance for schools**

#### **1. Assess if an adjustment is reasonable**

Consider all relevant circumstances and interests, including:

- the student's disability
- the views of the student or their associate (usually their parents/ guardians)
- the impact of the adjustment on the student, including on their independence, ability to achieve learning outcomes and to participate in courses or programs
- the impact of the adjustment on anyone else affected (such as other students and staff)
- the adjustment's costs and benefits
- the student's ability to maintain the academic or essential requirements of the course or program, if the adjustment is to a course or program.

#### **2. Decide on the adjustment to be made**

Assess whether there are any alternative adjustments that would be less disruptive and intrusive, and no less beneficial for the student.

#### **3. Consult about the adjustment**

The school must consult relevant parties before making the adjustment, including the student with disability and the student's associate (usually their parents/ guardians).

The consultation needs to include:

- whether the adjustment is reasonable
- the extent to which the adjustment achieves the desired aims for the student, for example their ability to enrol, access support services, and participate in courses or programs, learning experiences or activities
- consideration of any other less disruptive adjustment that is equally or more beneficial for the student.

Source: Department of Education 2021.

Schools we spoke with gave examples of a range of adjustments they make for students with disability including: curriculum differentiation, breaking tasks into smaller components, student seating plans (e.g. seating students who are blind or have low vision at the front of the classroom), shared enrolment between different schools, items to help students regulate such as sensory toys, visual timetables, and technology to assist with learning, including augmentative and alternative communication technology, text-to-speech tools and noise cancelling headphones, and school learning support officers accompanying students in the playground.

There can be conflicting views between parents/guardians of students with disability, and individual schools and the Department, about what reasonable adjustments are required in particular situations. Where there is a dispute, this may lead to allegations that the legislative requirements of the Disability Standards have been breached. There is no dedicated process for resolving these disputes outside of the Department's existing complaints mechanisms and legal avenues under the relevant legislation.

The 2017 Parliamentary inquiry recommended that the Department provide clear guidance to parents/guardians and schools about what are considered reasonable adjustments for students with disability, and to set timeframes for the implementation of adjustments in schools so that accommodations were put in place to support individual students when needs were identified. The Department supported this recommendation, noting that it would review its existing web-based resource for parents/guardians about the Disability Standards and reasonable adjustments.

The Australian Government's 2020 review into the Disability Standards reported that students with disability and their parents/guardians often felt they had to advocate for reasonable adjustments rather than this being proactively offered by education providers. It found that many educators were unaware of their obligations under the standards, or lacked the resources to implement them, and those who were aware struggled to find guidance and clarification to implement them.

Stakeholders we heard from through this audit said that reasonable adjustments usually turned on the views and capabilities of individual teachers as well as the individual needs of the student; and that information provided to families and disability advocates about the adjustments made for students by schools is typically vague. Feedback from parents/guardians described experiencing difficulties in negotiating adjustments for their child with schools, and/or considered that the adjustments provided by the school were inadequate.

The national NCCD process requires schools to have documented evidence of adjustments provided to students with disability before the student can be included in the data collection. The Department did not independently verify this evidence or have a mechanism to check that adjustments made by schools are reasonable and effective. It will respond to complaints about the provision of reasonable adjustments if complaints are made directly, or escalated, to the Department (see section 3.6 below).

The Disability Royal Commission considered that there was varying awareness and understanding between educators, school principals and families of students with disability, and that the concept of reasonable adjustments was either poorly understood or inconsistently applied. It found that – in NSW and other Australian jurisdictions – ultimately the provision of reasonable adjustments is largely left to the judgement and discretion of educators, with little departmental oversight. The Commission recommended that states and territories improve policies, procedures, tools and resources for schools on the provision of reasonable adjustments. The NSW Government has supported this recommendation.

### **The Department has specialist staff in teams available to advise schools, but access and quality is variable**

The Department provides teams of specialist staff, resources and sometimes funding support to assist schools. The Department introduced the Team Around a School model in 2021 to provide more timely and effective communication with, improve the coordination of support to, share knowledge and skills within and across, and enhance the consistency of departmental advice provided to, schools.

The 'teams within schools' aspect of the model provides direct support to students through roles such as assistant principals learning and support; senior psychologists education (who supervise school-based counsellors/psychologists); assistant principals hearing and vision; home school liaison officers; out-of-home care teachers; and transition teachers.

The 'teams around schools' aspect of the model aims to provide an additional layer of support and specialist expertise to school leaders and staff. These consist of non-school based regional positions including learning and wellbeing coordinators, advisors and officers; networked specialist facilitators who coordinate external services; NDIS transition coordinators; behaviour specialist advisors and officers; Aboriginal community liaison officers; and Aboriginal student liaison officers. There are 28 such groups across NSW, each servicing a geographic region of approximately 60 to 100 schools. Each group offers the same eight key services:

- developing external agency partnerships with schools
- offering policy advice
- developing specific teams within a school
- behaviour support for students exhibiting behaviours of concern
- support for students with complex support requirements
- support for diverse learners
- support with individual student plans, and
- professional learning for teaching staff.

The teams around schools also provide assistance to the departmental access request panels and support class planning (see following subsection). They can approve one-off additional funding requests for schools to support students, including applications for funds to provision an additional temporary classroom teacher.

Schools we spoke with told us that the quality of support from the team around a school is variable and depends on the skillset of staff in the role. Schools said that their access to these supports can be limited as the teams have to serve large numbers of schools. This can mean waiting some time for in-person observations and on the ground support from the non-school based positions, and delays to receiving advice on critical issues. Schools also reported that sometimes the advice received from teams around a school did not take account of approaches the schools had already tried and/or was not suitable for the individual student or school context.

Schools generally had positive feedback about the teams within schools, particularly in relation to the assistant principal learning and support role.

### **The Department provided funding to mainstream schools with more than seven support classes to have an executive staff member who supports inclusive education practices**

In 2022 the Department provided additional executive staffing allocations to mainstream schools with seven or more support classes, under the 'Executive Entitlement' initiative. The allocation was for two dedicated leadership roles:

- an assistant principal (primary schools) or head teacher (secondary schools) with a 0.8 full time equivalent teaching load, and
- a non-teaching deputy principal.

The functions of these school-based executive roles included to:

- provide strategic instructional leadership, build staff capability through coaching, mentoring and feedback
- drive learning and wellbeing growth for students with disability through evidence-informed practice
- use data to improve outcomes for students with disability and inform the school's Strategic Improvement Plan to develop, monitor and evaluate measures for students with disability.

During the initial implementation of the initiative, 65 non-teaching deputy principals were placed in 65 high schools, and 21 assistant principals were placed in as many primary schools.

Initiative funding also covered six new temporary non-school based teaching service roles in the Department to work with the new school leadership roles, including by establishing a knowledge sharing group on inclusive education practice.

An evaluation of the initiative conducted by the Department found that the executive roles in schools were making progress towards authentic inclusion across the whole school community. This included by fostering stronger linkages and transitions between the staff and students in support and mainstream classes.

The evaluation also found these executive roles in schools were improving staff capacity and capability in inclusive practices, but broader staff shortages across the public education system – particularly for specialist learning support staff – remained a challenge. It is not yet clear the extent to which the responsibilities of these roles may be impacted by a separate departmental review into the teaching loads of executive staff, undertaken in 2023–24 as part of efforts to address teacher shortages in NSW. The evaluation recommended enhancing clarity and communication about the different roles funded under the initiative, and the related supports for staff.

### **Processes are in place to provide eligible students with targeted supports**

If a student with disability has moderate to high needs and requires specialist support that cannot be met within existing school resources, their school may apply to the Department for targeted supports through the 'access request' process.

Where an access request is required, the student's base school manages the application process. The school works to understand the needs and preferred types of support for the child or young person, and then submits the application to be assessed by a panel in the school's local area. Panel members include a primary, secondary and Schools for Specific Purposes school principal representatives for the area, a learning and wellbeing team member and a senior psychologist education (both from the relevant Team Around a School).

Panels meet twice a term (except in term one, where it meets once) to make decisions on school applications about the provision of targeted supports including:

- placements in support classes in mainstream schools
- placements in support classes in Schools for Specific Purposes
- enrolment in distance education
- support from an itinerant support teacher (hearing or vision) when another support is also requested.

Applications for support from an itinerant support teacher (hearing or vision) for more than eight hours of hearing support or 12 hours of vision support per week are managed by a state-wide Sensory Panel. The Sensory Panel meets as required to assess applications. Access to itinerant sensory support that is less than eight hours per week for hearing or less than 12 hours per week for vision is made via an appraisal form. Assistant principals vision and hearing are responsible for administering the appraisal process and making recommendations about allocation to itinerant teacher caseload.

Applications for integration funding support funding for students with disability who have moderate to high needs to learn in mainstream classes are assessed by the Department's centralised integrated funding support team on an ongoing basis.

Other supports available to students with disability in schools do not require an access request to be submitted for them. These include supports resourced through school base funding or by the 'low level adjustment for disability' equity loading (see section 3.4 below).

In addition, every school receives an allocation of school counselling service staff. The methodology for this allocation takes into account a factor of need for students with disability, and the number of support classes in a school.

See section 3.4 for further information about the funding and provision of targeted supports.

### **The Department provides relevant professional development and teaching resources but could do more to check their effectiveness**

The Department provides a range of professional development courses on supporting students with disability to school staff, and teaching and learning resources, to schools. However, it does not know how what was learned has been applied in practice after the training.

The Department collects data on the tertiary qualifications of teachers in the public school system. In June 2018, Department analysis showed that only about 7% (or around 6,000) of NSW public school teachers were approved to teach inclusive/special education classes, and the number of new graduates each year was going down. In May 2023, this reduced to around 6% (or about 5,275). In the Disability Strategy the Department publicly recognised that there was a need to invest in developing a strong pipeline of teachers with relevant skills, noting that 61% of supporting teachers were over the age of 50 as at May 2018, compared to 43% of all teachers.

To improve the supply of teachers with expertise in supporting students with disability, in 2019 the Department launched a scholarship for existing teachers to undertake a masters degree qualification in inclusive or special education. As of 2022, a total of 356 scholarships had been awarded. The Department has plans to expand the offers to 200 teachers each year. However, the Department is not tracking whether scholarship recipients are moving into inclusive education roles once their study is complete (this is not a condition of the scholarship).

The Department monitors teachers' self-reported skills and confidence in teaching students with disability through the annual Tell Them From Me teacher survey. Between 2019 (when the question was first included in the survey) and 2023, results showed that most (fluctuating between 70 to 72%) of the teachers who responded to the relevant survey questions agreed that they have the skills and confidence to meet the needs of students with disability or special needs. The proportion of teacher respondents working in Schools for Specific Purposes who agreed with this statement varied between 84% and 90% over this period. In mainstream schools with or without a support class, the proportion of teachers agreeing with this statement varied between 69 and 73% year on year.

The Department has tested and validated this survey data to use as part of the disability outcomes framework. Schools are able to see their own aggregated data, and are encouraged to use the data to identify staff professional learning needs and as part of their ongoing community and stakeholder engagement.

The Department also committed in the Disability Strategy to 'build on a suite of core, advanced and specialist professional learning' and, since its launch in 2019, has focused on adding to and updating the courses available. Courses are offered to school teaching and non-teaching staff on various topics, including disability awareness, Disability Standards, inclusive practice and assistive technology. These courses are mostly offered online, but some are available face-to-face.

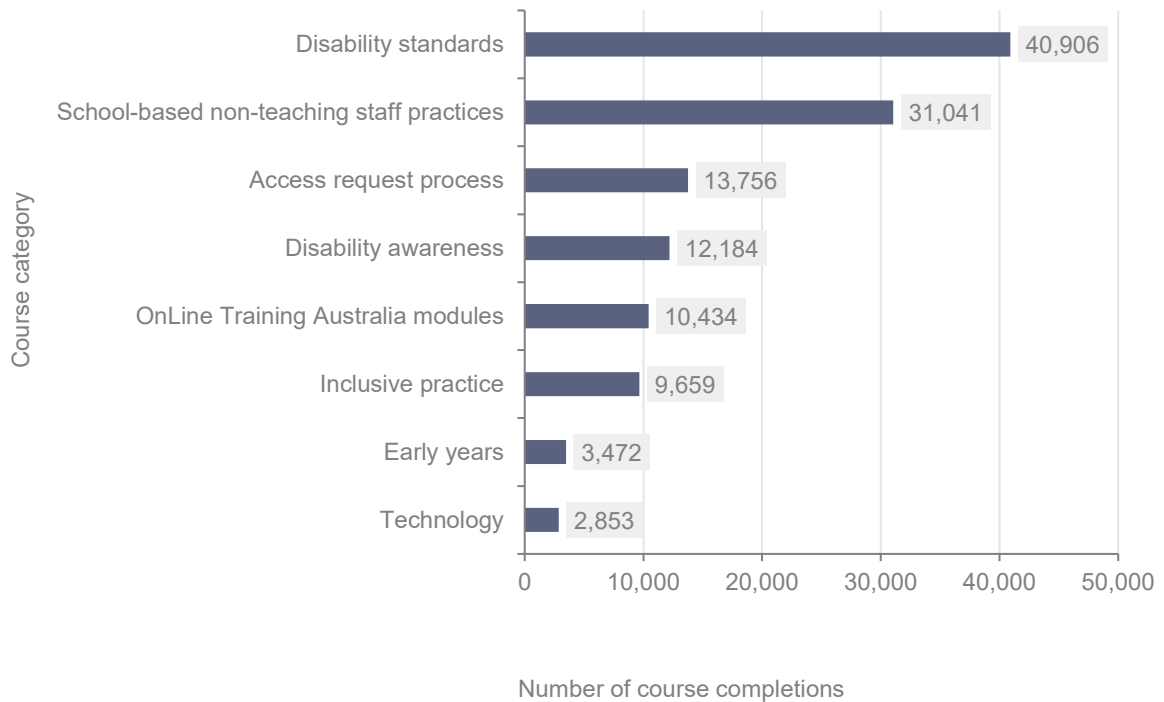
In response to recommendations of the 2017 NSW Parliamentary inquiry, the Department updated training on the Disability Standards with the NSW Education Standards Authority (NESA) in 2019 and from 2020 made it compulsory for all school leaders to complete. The Department advises that between the update and 2023, the course has been completed over 40,000 times.

To teach in a NSW school, teachers must hold active accreditation with NESA and complete 100 hours of professional development every five years to maintain this accreditation. Until recently, half of these hours were required to be courses in mandated areas including curriculum delivery and assessment, mental health and disability. From August 2024, teachers were given more flexibility to choose professional development that meets their needs and contexts from employer mandated training aligned to the Australian Professional Standards for Teachers. These standards describe what teachers should know and be able to do at each stage of their career to deliver high quality effective teaching that improves student learning outcomes. They do not specifically address inclusive education or support for students with disability. Under these changes, teachers may continue to choose disability related courses, but these are no longer mandated.

The Department tracks the number of professional learning courses completed by staff and presents the information in a data dashboard for senior executive staff. This provides visibility of what courses in disability professional learning have been completed, when, where and by what role type. The Department is able to use this information to understand whether mandatory courses are being completed, and which elective courses are taken up by staff.

Exhibit 8 shows the number of course completions for disability professional learning courses between 2019 (earliest data available) and 2023.

**Exhibit 8: Department of Education disability professional learning course completions 2019 – 2023**



Source: Audit Office analysis of Department of Education professional learning course completions data (unaudited).

Schools we spoke with said that the disability-related professional learning offered is often generic, repetitive, and not tailored to specific contexts. They advised that teachers often do not have enough time to access online learning during school hours (through relief from face-to-face teaching time), and would prefer more face-to-face learning opportunities that would allow for discussion about how to apply what they were learning to their particular setting. A few schools had procured their own professional learning sessions independently, and others had set up their own informal ‘exchanges’ for staff to visit other schools to understand different practices.

Other stakeholders told us that more training on inclusive education practice is needed for teaching and support staff, particularly for pre-service teachers (at university), early career professionals and school learning support officers.

The Department has a range of inclusive education teaching and learning resources for school staff to use in the classroom. Resources include lesson plans, teaching materials, web content and videos. One of the Disability Strategy initiatives was the creation of an online ‘inclusive practices hub’ with evidence-based teaching strategies and resources developed by Monash University for the Department. The intent of the hub was to increase teachers’ awareness and use of different classroom adjustments for students with disability.

Schools we spoke with as part of the audit gave mixed feedback on the inclusive practice hub. Many teachers were not aware of it. Of those who were, some reported finding the resources useful and of high quality, while many said that it was difficult and time consuming to identify appropriate and relevant resources within both the hub and the broader Department intranet. It was also noted that there is a lack of resources targeted to supporting students with disability who have the most extensive needs, and that some practical examples within the hub resources needed to be updated to be more relevant to the school context.

### **The Department has established governance arrangements to strengthen inclusive practice in schools**

The Department has different governance groups to influence what happens in schools with respect to disability and inclusive education. The Inclusive Education Champion network is the largest of these groups. Its purpose is to enable school and Departmental staff to share experiences and expertise; identify and disseminate examples of good inclusive practice; provide peer support; and discuss inclusive education issues, opportunities and challenges.

The Department aims to have this group cover all regions, networks and school types across the state. It was established in 2020, following commitments in the Disability Strategy. Membership is optional and while it had approximately 250 members in 2022, only around 30 people historically attended each presentation/sharing session live. Schools we spoke with as part of the audit highlighted that networking with other staff with experience was something that helped them to better support students with disability, but that they tended to do this through linking with other schools in their geographical area.

The Department conducted an internal review of the Inclusive Education Champion network in 2022 which identified low uptake and issues with the mechanisms being used to support the network. The Department advised that it is exploring other ways to enable school staff to connect and learn about inclusive education in practice.

### **Infrastructure integration works, and enhancements to building guidelines, aim to improve school accessibility**

School Infrastructure NSW, a division of the Department, makes modifications to school assets that may be needed for a child or young person with disability to attend school. This 'integration works' program supports students with access requirements directly related to their identified disability or medical needs where these cannot be met within existing school facilities. Examples include access ramps, vision works, lifts, access toilets, enhanced air conditioning and modification to light and UV exposure. Funding for integration works is drawn from the Department's overall maintenance budget and takes priority over general school maintenance works, which the Department advised has flow-on effects for the condition of schools across NSW. School Infrastructure NSW spent approximately \$382 million between the 2017–18 and 2022–23 financial years on over 2,700 integration works projects.

Integration works are organised in response to individual student need by schools applying to the Department through the access request system (see Exhibit 13). Generally, integration works are expected to be delivered by day one, term one to support student commencement at the school. Sometimes works are undertaken for students with specific care requirements who move between multiple school locations over the course of their education.

Schools we spoke with during the audit said that in practice there are often delays to this process and integration works are not always completed before the student commences at the school. They advised that sometimes schools independently organise for contractors to undertake the works and fund this through individual school budgets (seeking reimbursement from School Infrastructure NSW after the fact) in order to expedite the process. The Department advised us that School Infrastructure NSW is in the process of drafting an end-to-end process for integration works that will document roles and responsibilities of asset management staff to ensure an equitable and consistent approach across NSW.

The Department has limited data available to identify the current accessibility level of each school and the range of infrastructure adjustments needed or made. The integration works program is necessarily reactive and provided in response to individual student attendance at particular schools, rather than a proactive program of works to create accessible and inclusive learning environments at every school. The program does not enable schools to identify integration works that would serve a number of students, such as the establishment of a dedicated sensory room; or to anticipate the needs of future students.

School Infrastructure NSW has an existing process for capital upgrades to address regulatory requirements across the public school system, including the building accessibility standards under the federal Disability Discrimination Act. It has estimated that over \$6 billion would be required to cover the cost of necessary works to bring existing school infrastructure up to these standards, an amount the Department considers prohibitively expensive.

However, a systematic approach is in place for ensuring the accessibility of all new school builds and major upgrades to existing schools, which are required to meet the Education Facilities School Guidelines. As part of these guidelines, new builds and major upgrades to existing schools must include a group of spaces used for teaching subjects which do not typically require specialist equipment or resources for primary and secondary schools. Such physical hubs are designed to be as flexible as possible to suit the needs of the students with disability attending the school. Accessibility checklists are also a requirement of designs for new schools and major upgrades.

### **The Assisted School Travel Program provides specialised transport to school for eligible students with disability**

The Assisted School Travel Program is a demand-driven program that provides specialised transport services for eligible students with disability. Eligible students with disability are those unable to travel to school independently, or where their travel support needs cannot be met through access to the Transport for NSW school student transport scheme and who may not be able to access education without transport assistance. The program seeks to assist parents, rather than remove their individual responsibility for school transport arrangements. The eligibility criteria also include time and distance factors, whereby students generally must live within 40 km, and a 90 minute one-way trip, of their school to access the service.

The services under the Assisted School Travel Program vary to those provided to all school students by Transport for NSW in being:

- a door-to-door transport service between the student's permanent place of residence to school and return
- provided at no cost to families
- tailored to meet the assessed individual travel support needs of the student which may include:
  - full or part time transport assistance
  - additional supervision
  - support and assistance in meeting health care or behavioural needs while travelling
  - assistance for students to develop skills leading towards independent travel.

Schools we spoke with said that they sometimes experienced challenges in accessing the Assisted School Travel Program and that the process for applying for students is administratively burdensome. Some parents/guardians said their child/ren in the program were travelling for more than an hour each morning and afternoon even where the distance was not far, due to traffic and the need to collect or drop off several students along the way; and that this long commute negatively impacted on the energy and focus of the students once at school. Other stakeholders suggested that if all schools provided inclusive education in practice, the Assisted School Travel Program may not be needed as students with disability could be supported in their local school rather than having to travel longer distances to attend separate support classes.

The distribution of integration funding support and support classes is discussed in section 3.5 below.

### **The Department supports schools to access allied health services, but there has been low uptake**

The Department supports schools to access allied health services, including speech pathology, occupational therapy, physiotherapy, specialist behaviour support and exercise physiology where this is needed for students to access education on the same basis as their peers. Despite efforts from the Department, longstanding access issues remain.

In 2017, the Parliamentary inquiry heard evidence from parents/guardians and allied health service providers about the underutilisation of allied health services due to access issues and limited availability of providers in rural, regional and remote NSW. The inquiry recommended that the Department review how allied health services and support is provided in schools, including considering directly employing allied health professionals within the Department and introducing adequately resourced multidisciplinary teams at the regional level. The Department supported this recommendation and the Team Around a School model responds in part.

In 2020, the Department established a prequalification scheme of allied health providers who can provide support for students with disability. While schools still need to resource such services from their school budget, the scheme aims to assist schools to quickly engage prequalified providers through a streamlined administrative process. In 2021, there were around 100 providers in the scheme. The Department advised that since this time the number of panel participants has changed and there are now 84 providers in the scheme.

However, uptake of the scheme has not been strong. The Department's data shows that over the three-year period between the scheme's inception in term three, 2020 to term three, 2023 only 100 schools out of the approximately 2,200 public schools across NSW made use of the scheme (4.6%). Some schools we spoke with reported facing significant challenges to accessing health services for their students, particularly in regional, rural and remote areas of NSW where there are limited numbers of providers and long waitlists. The Department advised that there are many possible reasons why a school may not access the allied health scheme including that the prequalified services may not align with the needs of the school, or that there are other local arrangements in place.

The Department's data on the prequalification panel indicates that the most-used provider type was speech pathology, followed by occupational therapy and exercise physiology. Behaviour support and physiotherapy were less utilised.

The Department advised that an evaluation of the scheme to understand awareness, uptake and therapy quality was completed in the first half 2024 (outside the audit review period).

Schools may also procure services from allied health providers that are not on the prequalification panel, and parents/guardians may arrange for existing health providers, engaged under NDIS funding or privately, to support their child with therapy on school grounds during school hours if permitted by the principal.

Where service provision is not taking place in a classroom, the service must be provided in a space that is readily accessible and can be observed through a window or doorway, to ensure that schools meet their duty of care and child protection obligations to students. Services that require confidentiality or discretion in their delivery, such as counselling or psychology services, are an exception to this rule. These providers must be registered psychologists or accredited social workers and rooms are required to be set aside for these types of services in an active area of the school, such as the administration block or close to staff or classrooms. Many schools we spoke with said they did not have the physical infrastructure that would allow the necessary oversight and so had to decline requests from families and/or health providers to hold sessions on school grounds.

Some schools suggested that advice from occupational therapists and speech pathologists based within schools, such as through Departmental-funded roles like existing counsellor/psychologist positions, could assist teachers and school learning support officers in meeting the needs of students with disability. They also thought such roles would assist families of students with disability who could not access allied health services outside of school and/or struggled to support their child to complete therapeutic exercises outside of school hours. The Department cannot track the extent to which school attendance for students with disability is affected by needing to leave for external appointments.

### 3.3 Supports provided to students by schools

#### **Schools may develop plans to meet the specific needs of a student with disability, but the Department does not have visibility of whether these are completed, implemented or useful**

There are different planning documents that may be used by schools to guide and record the individualised support provided to students with disability. As for reasonable adjustments, the Department does not have system-level visibility over, and does not play a quality assurance role in, school personalised planning practices.

Individual education plans set out a student's learning goals and adjustments made, and departmental guidance expects these to be developed collaboratively between educators, parents/guardians, professionals and other support personnel. Wherever possible, this planning process also includes the student.

Personalised learning and support plans cover key short-term goals relating to social, academic and life skills development. These are also expected to be co-constructed between students, parents/guardians, teachers and other stakeholders. Behaviour management plans and health management plans may also be developed for individual students by schools.

The 2017 Parliamentary inquiry noted there was widespread support for a collaborative approach to developing individual plans, but that this did not always happen and there could be variable input to, and quality of, such plans. The inquiry made two relevant recommendations for the Department, to:

- ensure individual education plans are developed and implemented for students with disability, and
- include data on the proportion of students with disability who have individual education plans each year in a data dashboard.

The Department supported both recommendations but progress to implement them has not met the intent of the recommendations. The Department noted that schools document personalised learning and support provided to students with disability, and hold documented evidence of this, as required by the mandatory annual NCCD data collection.

However, as schools hold this evidence, and individual education plans are not a mandatory source of evidence, the Department has no visibility over whether individual education plans are developed and implemented or useful, nor the proportion of students with disability with such plans.

#### **Schools are using learning and support teachers and school learning and support officers to help classroom teachers support students with disability**

The Department provides each mainstream school with an allocation of learning and support teacher time, and school learning and support officer time, to support students with disability and schools value these roles highly. The Department has not assessed whether the allocation of both roles is sufficient for schools to meet the needs of students with disability.

Through the disability equity loading (see section 3.4 below), the Department provides each mainstream school with an allocation of between 0.1 and 0.4 full time equivalent hours of a learning and support teacher role. Schools may top up this time through their own budgets (comprising base allocations, equity loadings and other sources) to have more time allocated to the learning and support teacher role.

Learning and support teachers are expected to work directly within a school to provide additional support for teachers and students. While considered a specialist teacher provision, specific qualifications or experience in inclusive education are desirable but not a prerequisite to holding this role.

Learning and support teachers are not expected to teach a class, but are expected to plan, implement, model, monitor and evaluate teaching programs and personalised adjustments for students with additional learning and support needs, across the school. This role also provides specialist advice, and assists with professional learning for classroom teachers, and school learning and support officers. It can also include identifying and assessing students who need adjustments, teaching small groups of students, and delivering learning interventions to individual students one-on-one.

Most schools we spoke with found the learning and support teacher role helpful in identifying and supporting students with disability. However, some said that they experienced persistent challenges in recruiting to these roles.

Students in mainstream classes or support classes may receive assistance from a school learning and support officer (sometimes called 'teachers' aides'). These are non-teaching roles that are supervised by classroom teachers, and can assist students with disability with school routines, classroom activities, social activities in the playground and personal care including feeding and toileting. Some school learning support officers may also be qualified to administer medication and have other student health support duties.

A central allocation is made by the Department for one full time equivalent school learning support officer per support class (whether the support class is in a mainstream school or School for Specific Purposes). Roles outside of this allocation must be resourced by schools either through securing integration funding support from the Department for funding for a student with disability who has moderate to high support needs to learn in a mainstream classroom; or from their school budget including base funding and equity loadings.

The leadership and teaching staff at schools we spoke with highly valued the school learning support officer role in assisting them to provide adjustments and personalised support for students with disability. Most schools we spoke with also said that they did not have sufficient hours of school learning support officers to support the students with disability needing this personalised assistance.

The Department is undertaking funding reforms to better align school funding allocations to student needs by using NCCD data on adjustments required. This included providing additional learning and support teacher allocations to schools in 2023. While the Department has focused on how to extend the reach of existing funding to support students with disability who have learning needs but not diagnoses, it has not determined whether the existing funding calculated is sufficient for schools to adequately meet students' needs. Section 3.4 below discusses this further.

### **Support classes in mainstream schools and Schools for Specific Purposes provide additional support for eligible students**

Support classes provide specialist and intensive support for eligible students with a recognised diagnosed intellectual or physical disability, autism, mental illness, sensory processing disorder or behaviour disorder. These classes generally have an allocation of ten students each but a 'factor of need' is used to calculate the class size depending on the support needs of different disability types, which can result in fewer students per class.

Every support class has an allocation of a class teacher and a school learning support officer. Schools aim to recruit teachers with qualifications or experience in inclusive education to these roles, although broader teacher shortages can make this difficult. Class teachers are responsible for planning personalised learning and support for each student.

Support classes are located in some mainstream primary, high and central schools, or in specialist Schools for Specific Purposes. A student cannot be enrolled directly into a support class by the host school, but instead must apply for a placement through the access request process, with applications submitted by schools and determined by a departmental panel (see Exhibit 13).

Support classes in mainstream schools cater for students with moderate to high learning and support needs. If a child is enrolled in a support class in a mainstream school, there is flexibility for them to undertake some of their learning in other mainstream classes in the same school. This is largely dependent upon the resources available and their individual learning and support needs.

Schools for Specific Purposes include specialist schools that cater specifically to students with very high needs and additional support requirements through specialised programs, resources, and tailored support services. Schools for Specific Purposes are not available in all regions of the state.

Schools are expected to conduct an annual review for students in support classes which considers their attendance, personalised learning and support, and whether they are able to begin transition into mainstream classes.

The Department reports that in 2023 around 14% of students with disability in NSW public schools attended either a support class within a mainstream school or in a School for Specific Purposes. From the start of 2024 an additional 238 new support classes were established (227 in mainstream schools and 11 in Schools for Specific Purposes). The total number of support classes expected to be operating from the start of 2024 was more than 4,520. Of these 3,445 were in mainstream schools and 1,075 in Schools for Specific Purposes.

Many stakeholders told us that there were not enough support classes available, particularly in secondary schools. Some talked about the value of support classes for students with disability for whom the specialist teacher, dedicated school learning support officer, small class size and personalised learning in support classes would be optimal. Some reported difficulties for schools in supporting students in mainstream classes for whom support classes would be most suitable but placements are not available, or families do not want their child to learn in support classes. Others said that support classes should be abolished altogether and better supports provided in mainstream classes, as they considered that support classes segregate students based on disability which they argued was inconsistent with a truly inclusive education system.

This split in perspectives on the appropriateness and value of support classes was also reflected in the final report of the Disability Royal Commission. While all Commissioners agreed that mainstream schools need major reforms to overcome the barriers to safe, equal and inclusive education, they had different views on whether inclusive education is consistent with maintaining some education settings separate from mainstream schools.

The Department's 2019 Disability Strategy centred the concept of inclusive education in the policy framework. This was defined as ensuring access to supports needed by students with disability to participate in learning with their peers. It did not challenge the existence of different educational settings (mainstream, support classes and Schools for Specific Purposes). The Department has not taken a decision on the future number and distribution of support classes, and does not have a clear picture of supply and demand for them. This is discussed in section 3.5 below.

### **Itinerant teachers support students with specific hearing or vision needs**

Itinerant support teachers (hearing or vision) work with students who have a confirmed hearing and/or vision disability prior to and once attending NSW public schools from diagnosis to Year 12. These specialist teachers are not classroom teachers but visit schools to help students, their teachers and the school with appropriate adjustments.

Between 2018 and 2023, the Department increased the funding for these roles from 267.7 to 300.6 full time equivalent hours for itinerant support teacher (hearing) roles and from 118.3 to 123.3 full time equivalent hours for itinerant support teacher (vision) roles. However, our analysis of the Department's data suggests that schools were not able to fill all the positions funded.

Itinerant support teachers also provide support and advice to schools for Aboriginal students who have a conductive hearing loss (otitis media). Otitis media is a major source of ear disease in Aboriginal children. If a child has hearing loss, their speech may be delayed which will, in turn, affect important developmental milestones and learning at school.

Schools we spoke with during the audit had good experiences with itinerant support teachers, and reported that they have a positive impact on both students with disability and teaching staff.

### **There are a variety of processes in place to support students through key transition points**

Schools provide support to students with disability at key transition points: starting school, moving from primary to high school, and leaving school. Schools may also provide support to students transitioning into or out of a support class in any academic year.

Many schools have transition programs arranged with local preschools, which can involve preschool students visiting kindergarten classrooms or primary school teachers visiting the preschools.

When students are moving from primary school to high school, and have been in a support class in primary school, schools will start the transition planning in Year 5 if applying for a support class placement in Year 7. Under the Disability Strategy, the Department also changed the process for integration funding support so that funding for students in Year 6 is automatically rolled over to Year 7 without needing a new school application.

Schools support students with disability when finishing school through identifying external services available, facilitating work experience or apprenticeships, or encouraging students to undertake further study.

Schools we spoke with talked about a variety of ways they work with families, students and external services to plan for these different transitions. They also reported facing challenges, particularly with respect to limited supports available for transitions to post-school options. Schools also raised concerns about students transitioning to new learning stages that are behind their peers for that stage, and those in a support class in primary school who are unable to secure a placement in a high school support class due to limited supply.

Some stakeholders told us about their challenges experienced in accessing transition supports including:

- not being informed about school transition opportunities early enough
- needing more information about transitions for families
- the time involved in panel and departmental decisions on applications for targeted supports making transition planning difficult for families.

## **3.4 Funding arrangements**

### **The Department provides specific funding to schools to support students with disability**

The Department allocates specific funding to all NSW public schools for supporting students with disability (see Appendix six). Relevant resourcing comprises three types of support:

- universal through base school allocations
- a disability equity loading provided to all mainstream schools to support students with disability regardless of diagnosis, and
- targeted supports for students with disability who have a confirmed diagnosis recognised by the Department's disability criteria and in response to successful applications.

Exhibit 9 gives an overview of the school infrastructure, funding and staffing supports that the Department provides to schools to support students with disability, by educational setting.

**Exhibit 9: Departmental support to schools (assets, funding and staffing) relevant to students with disability, by educational setting**

	Mainstream schools	Support classes— Mainstream schools	Schools for Specific Purposes
Assets	Integration works based on individual need		Purpose built environment
Funding	Base allocation		
	Low level adjustment for disability + other equity loadings		Equity loadings except for disability
	Integration funding support	N/A—support provided in increased staffing and smaller classes	
Staffing	One teacher per class of 30	One teacher per class 7–18 students (average six students per class) generally with a special education qualification or flagged status	
		One school learning and support officer per class	
	Learning and support teacher allocation		
		With three+ classes, assistant principal (AP)/head teacher allocation With seven+ classes, deputy principal (DP) allocation	113+ students triggers the first AP, up to nine APs for 2376+ enrolments. 516+ enrolments trigger a DP, up to 4 DPs for 2376+ students
	Access to shared resource—learning and support assistant principal and itinerant teachers		

Source: Department of Education 2018.

Funding and staffing allocations are calculated on the basis of models that reflect various factors including:

- school student enrolment numbers and class sizes
- type of educational setting
- NAPLAN results (student learning needs index)
- NCCD data on adjustments schools are providing to students with disability, and
- school applications to the Department for targeted supports for students with disability (access requests).

The following table outlines the total Department funding allocations provided to NSW public schools – mainstream and Schools for Specific Purposes – above the base school allocations over the audit review period, including staffing costs. This ranged from approximately \$1.1 billion in 2018 rising to approximately \$1.9 billion in 2023. It also shows the number of identified students with disability in these schools each year, and the average annual cost per student being supported by disability-specific funding; this ranged from around \$7,600 per student with disability per year in 2018 to around \$9,300 per student with disability per year in 2023. Note that the average annual cost per student is an imprecise measure because not every student with disability will need or secure additional resourcing above the annual per-student base school allocation.

**Exhibit 10: Departmental disability-specific funding (including staffing cost allocations) for, and identified students with disability in, public schools - calendar years 2018–2023**

Variable	2018	2019	2020	2021	2022	2023
Funding for Schools for Specific Purposes*	\$278,805,113	\$302,662,291	\$363,214,008	\$375,692,779	\$398,322,532	\$413,982,136
Funding for support classes in mainstream schools <sup>^</sup>	\$454,379,800	\$498,312,886	\$560,034,790	\$619,060,707	\$680,584,795	\$740,399,911
Funding for low level adjustment for disability (equity loading) <sup>#</sup>	\$273,816,442	\$288,544,846	\$294,816,314	\$300,576,087	\$303,631,221	\$348,991,019
Integration funding support	\$190,891,032	\$219,384,904	\$266,646,200	\$300,713,861	\$322,063,955	\$410,837,141
<b>Totals</b>	<b>\$1,197,892,387</b>	<b>\$1,308,904,927</b>	<b>\$1,484,711,312</b>	<b>\$1,596,043,434</b>	<b>\$1,704,602,503</b>	<b>\$1,914,210,207</b>
Identified students with disability (NCCD)	158,051	163,622	172,357	183,024	189,151	206,365
<b>Average funding per student**</b>	<b>\$7,579</b>	<b>\$8,000</b>	<b>\$8,614</b>	<b>\$8,720</b>	<b>\$9,012</b>	<b>\$9,276</b>

Notes: Table does not include funding for: corporate support i.e. staff in relevant central policy roles or 'Team Around a School' supports in the Department; the Assisted School Travel Program; school-based staff roles that are not disability-specific e.g. student support officers, Aboriginal education officers; and school counselling/ psychologist roles.

\* Includes the total school funding (resource allocation model) allocations for those schools and SSP Supplementary Funding Program allocation from 2020 onwards.

<sup>^</sup> Includes targeted staffing costs, relevant site-specific allocations and per capita allocation directly related to those classes. Other non-specified allocations for the general operation of the school are not included.

<sup>#</sup> Includes both staffing entitlement and flexible funding allocations.

<sup>\*\*</sup> Calculated by dividing the total funding allocated by the number of students with disability in that year. Does not include base funding allocations to schools.

Source: Department of Education (unaudited).

**The Department has undertaken work to forecast future funding need, but its ongoing planning is hampered by data deficits**

Following the 2017 Parliamentary inquiry, the Department engaged consultants to model different future scenarios based on existing trends – such as in student enrolment, disability rates, workforce, preferences for different educational settings, school infrastructure and school costs including in staffing, technology and tools – to inform the development of the 2019 Disability Strategy. The consultants considered a range of historical data and potential variations in the:

- growth rates for public school enrolments and for particular types of disability, such as autism and behaviour disorders
- distribution of students with disability between mainstream and supported learning settings
- supports provided.

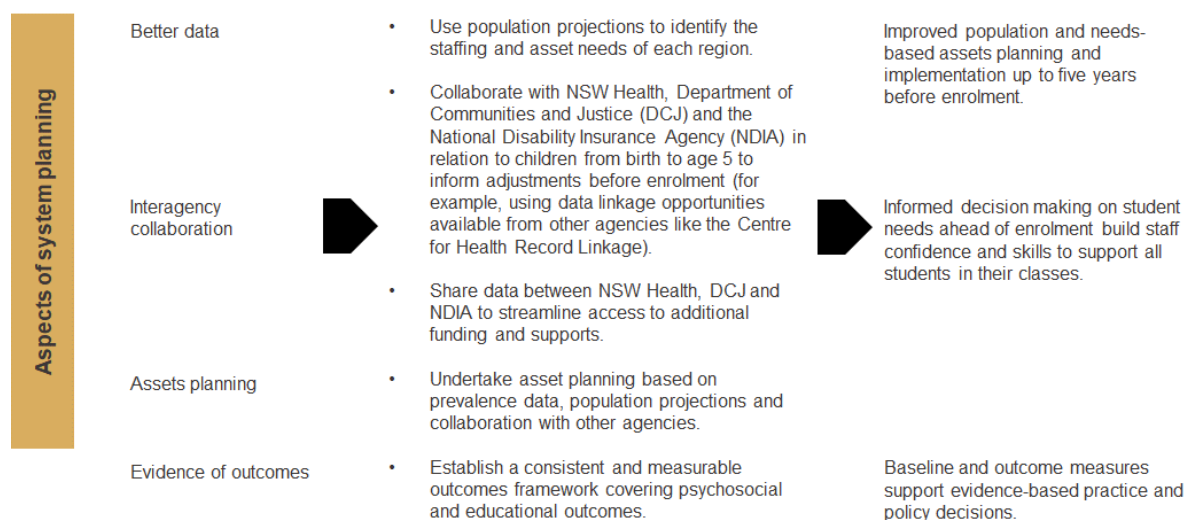
Four future scenarios were developed to illustrate the potential impacts on student numbers, workforce and costs from:

- maintaining the status quo, taking account of population and disability growth rates
- adding to the status quo some support for teachers and parents/guardians such as:
  - strengthening the learning and support teacher and executive roles
  - creating specialist education career tracks for teachers and school learning support officers
  - establishing localised advisory hubs to guide parents/guardians
  - making a shift towards more flexible funding approaches that reflect student need rather than educational setting.
- making an investment in workforce (staffing and professional learning) and assets (inclusive classroom environments) which facilitate a small shift in the number of students with disability learning in support classes to mainstream classrooms, and/or from Schools with Specific Purposes to support classes in mainstream schools.
- making a high-level investment in workforce (through staffing and coaching/co-teaching across leadership and specialist roles) and assets (more inclusive classroom environments) which facilitate a greater shift in the number of students with disability learning in support classes to mainstream classrooms, and/or from Schools with Specific Purposes to support classes in mainstream schools.

The consultants' analysis suggested that, regardless of scenarios, the overall number of students with disability, including students with disability requiring targeted supports, could increase by up to 50% over ten years.

The consultants also advised that such forecasting exercises were limited by a deficit of system-level, consistent and reliable data. They recommended the following strategies to address this deficit:

### Exhibit 11: Enablers and inputs recommended for the Department to forecast future resourcing needs



Source: Audit Office summary of consultant advice to Department of Education 2018 (unaudited).

Most of these recommendations have not been implemented, hampering the effectiveness of the Department's forward planning for supporting students with disability.

The Department has developed an outcomes framework, but this is not operational, as discussed in section 3.6 below. It is also participating in a national initiative to develop a linked dataset covering all Australians, known as the National Disability Data Asset. The Australian, state and territory governments are working to bring together de-identified information from different government agencies about Australians with and without disability. This is expected to help governments to better understand the experiences of people with disability, identify the effectiveness of programs and services, and estimate investment and funding needs. There is not yet a timeframe for the National Disability Data Asset to collect, analyse and use national data relating to early childhood and/or education.

### **The Department is reforming disability funding to better align resourcing with student needs**

Most of the previous public reviews (see section 2.1 above) identified inadequate funding as a key challenge to providing inclusive education. In response, in 2020 the Department commenced a program of work to review and reform the disability-specific funding provided to schools. This is still ongoing. It seeks to allocate resourcing in a way that better reflects the functional needs of students with disability at school, and the school's efforts to support them (as identified through the NCCD data collection), instead of relying on students' medical diagnoses or academic performance. The Department expects that this 'needs-based' approach will allow for relevant funding to be more aligned to schools' efforts in making adjustments for individual students with disability, as determined by school principals and relevant staff.

A vision for these funding reforms was that 'resource allocations support students being enrolled and supported at their local school, and learning to their fullest capability.' Desired outcomes include that:

- schools have effective funding and staffing models to meet the needs of all of their students
- students with disability receive the supports they need to equitably participate in school, irrespective of diagnoses
- processes and systems enable schools to manage resources effectively to meet student needs.

The Department identified that there was a funding gap between the equity loading and the targeted funding, that the equity loading had not kept up with enrolment and rising student needs and that there were still inequities in staffing allocations for Schools for Specific Purposes and support classes.

The reform program focused on disability-specific funding provided to schools:

- the 'low level adjustment for disability' for mainstream schools (equity loading)
- integration funding support for students with disability in mainstream classrooms (targeted support)
- supplementary funding for Schools for Specific Purposes.

These reforms were in various stages of implementation at the time of the audit and are discussed in the following subsections.

### **The Department has changed the disability equity funding calculation to better align with student need, but risks remain**

The low level adjustment for disability equity loading comprises funding and staff time allocated to all mainstream schools in advance, for schools to use towards all their students with disability who need supports; it is not targeted to individuals.

Under this loading, every mainstream NSW public school receives an allocation of flexible funding each year (averaging between approximately \$43,000 and \$55,000 per school annually), and an allocation of some time (between 0.1 to 0.4 full time equivalent hours) for a learning and support teacher over a three-year cycle. The loading aims to enable schools to provide support to all students with additional learning needs without requiring a formal diagnosis of disability. Schools have flexibility in how to use the equity loading for this purpose.

The flexible funding component can be used by schools on any purpose that supports adjustments for students with disability – such as to fund additional teacher time, school learning support officer time or for teacher professional development – and may be combined with other school and local resources. Principals have the authority to manage these funds to support students with disability as part of the management of their school budgets. Unlike targeted supports, there is no requirement for the disability equity loading flexible funds to follow specific students.

In the decade 2012–2022, the disability equity loading allocations were calculated on the basis of a school’s student enrolment numbers, and its ‘student learning needs index’ derived from three years of results from NAPLAN data (the school’s portion of students achieving in the bottom ten per cent in reading and numeracy over the previous three years). This methodology was a combination of a:

- base allocation per school (\$1,000 for all mainstream schools)
- component based on the school’s enrolments (40% of the funding allocation)
- component for the student learning needs index (60% of the funding allocation).

The Department advised that variations in a school’s flexible funding allocation from year to year reflected either a change in enrolments and/or a difference in the school’s student learning needs index. The Department would also apply a ‘remediation strategy’ each year to ensure that no school decreased by more than either ten per cent or was allocated less than \$1,000; and schools with a drop in allocated funding were limited to a decrease of no more than \$10,000.

Exhibit 12 sets out the total and average amounts of flexible funding allocated to mainstream schools under the disability equity loading in each year of the audit review period.

**Exhibit 12: Disability equity loading flexible funding allocation to NSW mainstream public schools, calendar years 2018–2023**

Year (calendar)	Total amount of flexible funding allocated across all mainstream schools	Number of schools	Average amount allocated per school
2018	\$89,244,915	2,069	\$43,134
2019	\$99,027,902	2,071	\$47,816
2020	\$100,233,117	2,074	\$48,328
2021	\$100,456,669	2,075	\$48,413
2022	\$98,359,330	2,073	\$47,448
2023*	\$115,486,190	2,072	\$55,737

\* Note: Funding methodology changed in 2023. Figures include one-off transition payments for 718 schools due to methodology change.

\* Flexible funding includes base allocation, vacation pay and on-costs.

Source: Department of Education 2024 (unaudited).

The Department changed the methodology from 2023 to include NCCD data as follows:

- Learning and support teacher time: A base allocation of between 0.1 and 0.4 full time equivalent hours per school, depending on the number of enrolments, with remaining full time equivalent hours allocation calculated on the basis of a school’s NCCD data (50%) and student learning needs index (50%).
- Flexible funding:
  - allocated on the basis of a school’s enrolments (ten per cent), student learning needs index (40%) and NCCD data (50%)
  - base funding of \$3,000 to \$5,000 per school for small schools only, depending on the number of enrolments (no longer provided to all mainstream schools).

Moving to incorporate NCCD data in the calculation of the loading aimed to better reflect student needs and school effort by capturing those with disability receiving adjustments at school beyond the quality differentiated teaching practice NCCD level of adjustment. The Department estimated that this would more than double the number of students who could be supported by the disability equity funding.

The change was also expected to lead to allocations of learning and support teacher full time equivalent hours and flexible funding being weighted by need. Schools with more students requiring extensive adjustments under the NCCD categories would receive increases, schools with more students requiring substantive or supplementary adjustments would see their allocations reduced.

On introduction in 2023, the new calculation increased the total equity loading allocation (both flexible funding and learning and support teacher time) for 1,354 schools and reduced the total allocation for 718 schools.

As part of the transition, an additional 188.3 full time equivalent learning and support teacher allocations were funded to mitigate the impacts of reduced allocations in teacher time for some schools. This brought the total learning and support teacher allocation to approximately 1,972 full time equivalent roles across the state in 2023.

The Department considers that the new methodology will require ongoing monitoring of NCCD data, student numbers and rates of funding to 'make sure funding keeps pace with the needs of students', given NCCD data on adjustments made for individual students by different teachers each year is not static. A three-year average for the NCCD data is used, so that funding responds to trends rather than annual changes in student needs and variations in school reporting.

However, the student learning needs index – representing the school's portion of students achieving in the bottom ten per cent in reading and numeracy over the previous three years of NAPLAN results – remains one of the key factors affecting funding and staffing allocations in the revised disability equity loading model. The 2017 Parliamentary inquiry heard evidence that NAPLAN results were not an appropriate way to identify the needs of students with disability including because academic performance varies for students with disability as for other students; and because of allegations that some students with disability may be asked by schools to abstain from taking the NAPLAN tests.

While the index reflects student learning needs, it is not specific to students with disability who need adjustments to access education on the same basis as their peers. Retaining the student learning needs index in the calculation of the disability equity loading means there is a risk that this funding is being used to meet the learning needs of some students who need educational adjustments for reasons other than disability as well as those of students with disability.

The Department advised it is conducting a school budget 'health check' in 2024 to determine gaps and areas for improvement or reform in school funding, with a key focus on equity loadings that support student need.

### **The Department has progressed work to provide targeted supports on the basis of students' functional needs**

The Department commissioned consultants to conduct a desktop review and jurisdictional comparison to identify a more contemporary model for meeting the needs of students with disability who have moderate to high support needs. It also engaged with internal and external stakeholders and concluded that the stakeholder views were in line with the evidence from the commissioned research. In response, design principles for a new model were developed.

The principles for a new model proposed aligning the Department's disability criteria with the NCCD, so that targeted support could be sought for the students identified as needing substantial or extensive adjustments at school regardless of formal diagnoses. They also suggested introducing process changes so that applications for integrated funding support (for students with disability who have moderate to high support needs in mainstream classes) and applications for support class placement would both be subject to the same functional needs-based profiling and threshold for support.

Different consultants engaged by the Department of Education estimated that changes would lead to between 6,000 and 14,000 additional students being newly eligible for targeted support with needs considered substantial or extensive under the NCCD categories of adjustments. Modelling predicted that the estimated additional cost of expanding access to support would be more than offset within ten years due to a change in the profile of students accessing support under the changes. That is, under the changes, fewer students were expected to learn in the more expensive support classes, and growth in demand for support classes was expected to be slower than if the changes weren't made.

It was also anticipated that the changes would free up:

- school staff time from no longer needing to apply for targeted supports through the access request process, by around 35% or approximately 14,000 applications per year, and
- school counsellor/psychologist time from the paperwork and professional process of confirming disabilities (allowing them to dedicate more time to therapeutic support for students).

The Department piloted aspects of the new approach in a small number of schools in 2022, including removing the requirement for a diagnosis to seek integration funding support, and revising the summary profile on students' individual functional needs assessment form. Options for this new approach were submitted to the Department's executive over 2021 and 2022. The executive endorsed aligning the threshold for targeted funding and support classes to the NCCD to reflect school efforts to support students with disability, and free school staff from the need to apply for funding. In October 2023, the Minister endorsed consultation on the principles of reform and potential model with key stakeholders including the NSW Teacher's Federation, Public Service Association, principals' associations, Aboriginal Education Consultative Group and Parents & Citizens' Federation.

The Department recognised that these reforms would require additional funding to be implemented effectively, and that additional funding was a critical dependency. It identified that if this could not be secured, the only way to fund targeted provisions for more students within existing resources would be to substantially reduce the allocation to all students currently receiving integration funding support.

In 2023 the Department briefed senior decision makers in the NSW Government on its related budget bid, but they deferred making a decision on the bid.

At the time of writing the Department advised it is still exploring possible avenues to resource this new model, and aims to implement it from 2026 subject to securing government approval and funding.

While positive that the Department is undertaking significant reform to align funding for targeted supports with student needs, this work has not been timely. It has been almost fifteen years since the 2010 Parliamentary inquiry made recommendations to the Department to 'move rapidly' towards the use of functional assessment tools to inform decisions about access to disability funding.

### **The Department provided supplementary funding to Schools for Specific Purposes and is developing a model for ongoing resourcing**

Schools for Specific Purposes are allocated base funding (covering core operational and staffing costs) and equity loadings for additional need (socio-economic background, Aboriginal background, and English language proficiency) – but not the disability equity loading which mainstream schools receive.

The base funding amounts for Schools for Specific Purposes are calculated using the formula for staffing allocations for primary schools, even where the school caters for secondary students. School for Specific Purposes are also not eligible for the Department's small school supplementation funding.

Instead, Schools for Specific Purposes have smaller class-to-teacher ratios than mainstream schools. Class sizes are generally to a maximum of eight to ten students, and each class is allocated one full time equivalent class teacher and one full time equivalent school learning support officer. Teachers are expected to have qualifications and/or experience in inclusive education practice, but both the Department and schools told us that wider teacher shortages make it very difficult to recruit qualified staff.

The Special Education Principals' and Leaders' Association NSW, representing principals of Schools for Specific Purposes, gave evidence to the 2017 Parliamentary inquiry that these levels of funding and staffing were inadequate to meet the complex needs of their students, and that Schools for Specific Purposes were limited in their capacity to attract additional funding. Stakeholders suggested that the 'factor of need' used to determine student enrolment and class placements at Schools for Specific Purposes should also inform their funding allocations so that funding corresponds to complexity of student needs.

The Department commenced a broader staffing methodology review in 2019. Among other things, this examined how NSW public schools could hire the staff they require to cater for the particular needs of their students. The review identified a number of 'pain points' in the resourcing of Schools for Specific Purposes, including that staffing entitlements did not meet the complex needs of the students in these settings.

In response, the Department developed a program of additional funding for all Schools for Specific Purposes from within existing departmental resources. This 'SSP Supplementary Funding Program' aimed to alleviate critical resource constraints for these schools and provided \$37 million shared between them in each calendar year from 2020 – 2024, on top of their existing funding. Allocations to individual schools depended on factors including the number of classes and/or students, and existing staffing, and ranged from approximately \$27,000 to \$905,000 per school each year, with the median allocation around \$280,000.

Schools for Specific Purposes were permitted to use the supplementary funding flexibly to increase staffing including through recruiting more support staff, accessing other specialist resources, and reallocating staff to where they were most needed. Principals could decide how best to refine or augment their staffing mix and had the full academic year to expend the supplementary funding.

The Department commissioned an evaluation of the program, which reported in early 2023. This found that most funding was used to employ support staff and increase executive staff time. Based on document reviews, surveys with principals and interviews with Department staff, the evaluation considered that the supplementary funding was 'much needed' and had positive outcomes for staff and students.

However, the evaluation also found underspends for around one-third of the recipient schools in 2021 and almost one-fifth of the recipient schools in 2022. It could not account for this without further investigation but noted that many Schools for Specific Purposes reported significant difficulties in finding suitable staff.

The challenges and concerns about funding and staffing allocations for Schools for Specific Purposes have not abated – those highlighted in the 2017 Parliamentary committee inquiry were also raised with this audit by a variety of stakeholders. Many stakeholders we heard from supported the continuation of the supplementary funding.

The Department advised it is developing a new funding model for existing Schools for Specific Purposes, to take effect from 2026. We have not seen evidence of this, and whether student needs (e.g. the factor of need) will inform staffing and funding allocations.

## Evidence on the costs to schools in making adjustments to support students with disability is not clear, nationally

Calculation of the funding amounts for NSW public schools is informed by the national schooling resource standard. The schooling resource standard is an estimate of how much total public funding a school requires to meet the educational needs of its students. It is made up of a base amount of recurrent funding for every primary and secondary student, and six additional loadings to provide extra funding for disadvantaged students and schools. The base amount and loadings are annually indexed at or above any increase in wages and consumer prices. Both the Australian Government and state and territory governments contribute to the total funding amount specified in the national schooling resource standard, as specified in federal legislation or in individual bilateral agreements between them.

The Australian Government funding contribution to the schooling resource standard includes a loading for students with disability. Since 2018, this has been calculated by using NCCD data which records the reasonable adjustments made by schools to meet students' needs so that they can access education on the same basis as their peers without disability. Schools that are providing supplementary, substantial and extensive adjustments (according to NCCD categories) attract increasing levels of funding through the loading, to reflect the increasing average costs of adjustments for those levels. There is no additional funding provided for 'quality differentiated teaching practice' under the federal loading.

The original research used to calculate the federal disability loading was based on a 2015 survey of school spending on students captured in the NCCD, to determine the combined average costs for additional resourcing provided at each level of NCCD adjustment across mainstream and special schools. Previously, the disability loading funding was calculated based on whether students met state-specific definitions of disability (linked mainly to medical diagnoses). From 2018, using NCCD data instead of diagnoses broadened the identification of students with disability, and increased the numbers attracting funding under the disability loading.

A 2019 review of the federal disability loading conducted by the National School Resourcing Board found there was:

- significant variation in estimates of the costs to schools of making reasonable adjustments to support students with disability
- variation in student need in each level of funded NCCD adjustment (supplementary, substantial and extensive)
- variation in funding provided to students within the same NCCD level of adjustment
- overlaps in costs across the three Australian Government funded NCCD levels of adjustment
- divergence between the numbers of students reported in the NCCD and those funded under state and territory targeted programs.

The Board review recommended that joint work be undertaken by the Australian, state and territory governments to produce more nuanced estimates of the costs of adjustments for students with disability. The Board suggested that a mix of approaches be used to try to determine these costs more accurately, drawing on those already commonly used to quantify the cost of schooling, such as:

- **Professional judgement:** which draws together experienced educators and subject matter experts to identify what should be in place (programs, practices, staff) for a student to receive an adequate or agreed standard of education.
- **Evidence-based:** which uses a set of evaluated and effective educational interventions from education literature and research, rather than from a panel of experts, to identify what should be in place (programs, practices, staff) for a student to receive an agreed standard of education.
- **Successful schools:** which determines the minimum level of funding required to reach an agreed standard by using the program-level costs of schools that have successfully reached that standard.
- **Regression-based:** which uses historical data on student characteristics and needs, outcomes and actual expenditure in order to estimate the relationship between spending and student outcomes.

The Australian Government agreed to the National Schooling Resourcing Board recommendation to determine better estimates of the costs of adjustments for students with disability, but was unable to complete it in 2021 as planned because access to schools was limited during the COVID pandemic lockdowns. The NSW Government, as for other state and territory governments, has not progressed this work unilaterally without the Australian Government.

The Department also advised that it is difficult to accurately quantify the costs of providing adjustments to students with disability because:

- the required adjustments may vary for each student depending on the school, classroom and individual needs over the course of a year
- not all adjustments require funding (for example, adjustments to how the curriculum is taught)
- the costs of providing adjustments, when there is a cost involved, will not necessarily be the same between one school and another – for example, where multiple students with disability in one school are receiving targeted supports, that school can achieve economies of scale in obtaining and sharing supports between students with such funding that schools with fewer students receiving targeted supports cannot.

### **The Department has committed to national five-yearly reviews of funding for disability adjustments in schools to try to determine funding adequacy**

Stakeholders to the audit – including parents/guardians, school staff and advocacy organisations – said that existing funding to support students with disability is not adequate to meet their learning needs. This was also a key concern raised by stakeholders to the 2010 and 2017 Parliamentary inquiries. The 2010 inquiry recommended that the NSW Government substantially increase funding for students with disability in public schools, and advocate for a transparent funding mechanism in liaison with the Australian Government. The 2017 inquiry recommended that the NSW Government work with the Australian Government to increase the overall funding available to ensure that adequate funding is provided to government schools to meet the needs of students with disabilities and special needs.

A broader staffing methodology review that the Department began in 2019 examined how NSW public schools, including Schools for Specific Purposes, were funded, and whether the base allocation of staff to schools could be reformed so that student needs determine school demand for staffing. The Department concluded that changing the base allocation of staff numbers to schools from enrolment numbers to student need was too complex and this policy shift was not made. Instead, as discussed in the preceding subsections, the Department focused on reforming disability-specific funding streams to better align allocations to schools with their students' needs for adjustments, as identified through the NCCD.

The Department considers that neither the disability equity loading, nor the targeted funding, is designed to meet the needs of every student with disability but rather are enhancements to the school budget to support the principal to flexibly use the whole school budget to support all of their students. Schools are expected to use all funds provided by the Department in the same calendar year for which they are allocated, in order to improve learning and wellbeing outcomes for those students enrolled in that year. The Department's view is that not spending the allocated funds by the end of a year poses a risk to schools achieving these outcomes for the students currently enrolled.

The Department's financial management policy states that schools should conduct long-term robust financial management practices to mitigate the risk that State Consolidated Funds will be significantly underspent or overspent. The Department monitors schools' financial budgeting and actual expenditure throughout the year, identifying schools at risk of significant over- or underspend, and providing review, guidance and support as necessary.

However, we often heard from schools we consulted with that they are expending more on supports for students with disability than they are allocated by the Department through all relevant sources – including base funding, equity loading and targeted funding for students with disability – which echoed advice that schools had given to the 2017 Parliamentary inquiry and to the Department in 2018 in its development of the Disability Strategy. Many stakeholders who provided feedback to the audit maintain that current funding for schools to support students with disability is inadequate.

In late 2023 the Disability Royal Commission recommended that:

- the Australian Government work with the state and territory governments to review disability loading settings, and total funding for adjustments, every five years to ensure the funding allocated bears a close relationship to the actual cost of supporting students with disability in classrooms, and to determine appropriate indexation and distribution of funding
- State and territory governments ensure they are using a disability funding model based on strengths and needs that aligns with enhanced NCCD levels of adjustment and Australian Government needs-based funding arrangements
- State and territory education departments improve transparency on the use of disability funding in the government school sector by:
  - developing a methodology and reporting template to record the use of all sources of school funding against defined categories of adjustments and support for students with disability
  - applying this methodology and template to record expenditure on services and staff commissioned by the department on behalf of schools for students with disability, and
  - publicly reporting on how the needs of students with disability are being met from all available resources, with early priority given to capturing the use of disability-specific loadings and other disability-specific program funding.

The joint response from the Australian Government and state and territory governments, released in July 2024, accepted these recommendations in principle while indicating that implementing them will require further consideration, including of the possible workload impacts on schools and on data management systems. The NSW Government stated that it welcomes the opportunity to enhance disability funding arrangements nationally, including aligning them with a needs-based approach and the NCCD. It specifically acknowledged the importance of comprehensive funding models that consider both student needs and school contexts.

## 3.5 Student access to targeted supports

### Targeted supports are provided to schools to assist eligible individual students when available

The Department allocates targeted support, when available, to schools for supporting eligible students with disability who cannot be adequately supported from within the school's resources. Targeted supports include integration funding support for students with diagnosed disability in mainstream classes who have moderate or high support needs, student placement in support classes in mainstream schools or in Schools for Specific Purposes, distance education and support from itinerant (visiting) teachers for vision or hearing impairment.

Targeted support is provided to schools on the basis of applications about individual students made to the Department, where the following conditions are met:

- parents/guardians agree to seeking targeted support for their child
- the student is eligible, i.e. enrolled full-time at a public school and:
  - there is evidence that the student has a diagnosed disability that falls into one of the eight recognised categories outlined in the Department's 2003 disability criteria (confirmed by the school counsellor/psychologist and their supervising senior psychologist education)
  - the student has moderate or high support needs that cannot be met from the full range of school and local resources
- schools prepare appropriate applications
- for integration funding support for a student to learn in a mainstream classroom, the appropriate level of funding support determined from a desktop functional needs assessment of the student exceeds a threshold amount which equates to approximately one hour per day of school learning support officer time. Below this threshold, students are expected to be supported from within school resources including with the disability equity funding. A threshold is not applied for students with moderate to high support needs who have essential requirements in the areas of personal care or mobility.
- a departmental access request panel or centralised team (for integration funding support) agrees with the targeted support sought, and
- there is availability of relevant supports sought e.g. a placement available in a suitable School for Specific Purpose or mainstream school support class or in a distance education institution, itinerant teacher support time, early intervention.

Analysis undertaken by the Department in 2018 found that the average annual growth rate in enrolment in Schools for Specific Purposes was almost double (1.9%) that of the general enrolment rate for public schools (1.0%), while enrolment growth in support classes in mainstream schools was almost four times (3.8%) general enrolment over the five years 2013-2017. Our analysis of the Department's data also shows that there was a 78% increase in the number of applications for integrated funding support between 2018 and 2023.

The Department considers that targeted supports respond to students' moderate to high needs, that integration funding support is 'uncapped' and 'demand-driven' and it does not maintain a waiting list for support class placements. However, these supports are not purely demand-driven as the conditions outlined above work to ration the eligible applications for, and provision of, targeted supports in practice.

### **The Department has not updated the criteria for recognising disability diagnoses, which underpin targeted funding supports, in over 20 years**

The Department's provision of targeted supports is limited to eligible students with disability who have a confirmed medical diagnosis that falls within the Department's 2003 disability criteria (Appendix seven). Students with undiagnosed disability and those with certain diagnoses that fall outside the Department's disability criteria, such as attention-deficit/hyperactivity disorder (ADHD) and dyslexia, generally cannot access targeted supports regardless of their functional learning needs. Where there is evidence that a student has a significant disorder or malfunction not covered by the Department's disability criteria, and the condition is impacting greatly on educational outcomes, special determinations may be made on a case-by-case basis.

In 2020 the Department initiated a review of its disability criteria in response to a recommendation of the 2017 Parliamentary inquiry that the Department revisit the criteria to ensure they are in keeping with contemporary understandings of disability. The Australian Federation of Disability Organisations explains that a contemporary understanding includes the social model of disability, developed by people with disability. The social model says that people are disabled by barriers in society – such as buildings not having a ramp or accessible toilets – or by people's attitudes, like assuming people with disability cannot do certain things. This is in contrast to the older medical model of disability which says that people are disabled by their impairments or differences; and concentrates on what is 'wrong' with the person, not what the person needs to participate in society.

The Department advised that its disability criteria are currently being updated to consider the functional needs of students and remove the need for parents/guardians to seek repeated external assessments from specialists. It is anticipated that the updated criteria will be available in term four, 2024.

Schools we spoke with said that obtaining diagnoses can be challenging for many students' families, due to lengthy waiting lists for both public and private specialists, difficulty with physically accessing providers if they are located some distance away, and unaffordability. Some also said that many students with diagnoses that are not included in the Department's disability criteria, such as ADHD, needed targeted supports to access learning. This was also raised in the 2010 Parliamentary inquiry. The Department's revision of the disability criteria is not timely.

### **The Department's process for providing targeted supports for students is convoluted and administratively burdensome for schools**

The Department is working on improving the processes for providing targeted supports for students with disability, but changes made to date have not yet been used to monitor the time taken for such supports to reach students, nor addressed the administrative burden for schools involved.

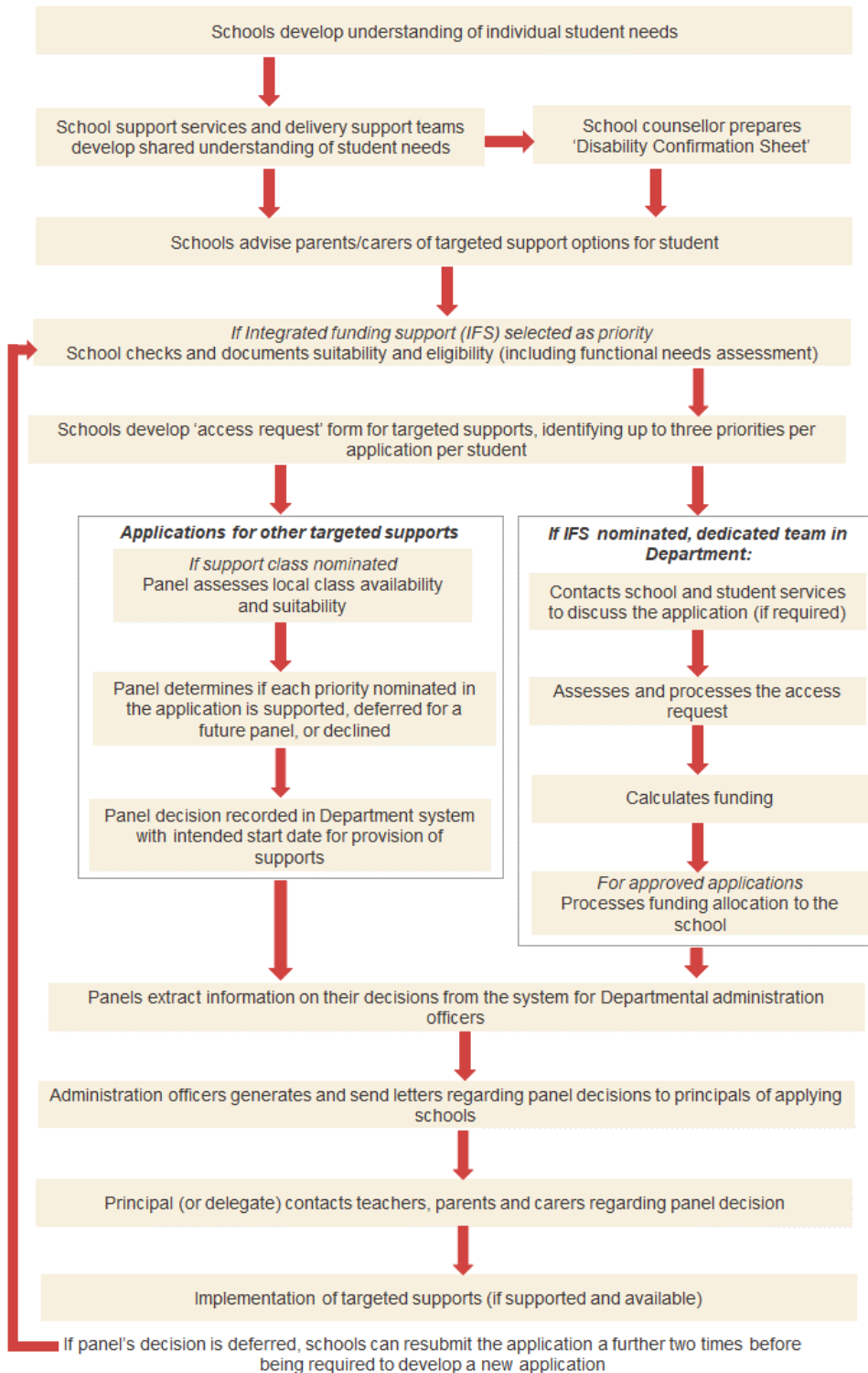
If a student with disability has moderate to high needs and requires targeted support, and a formal diagnosis that meets the Department's disability criteria, their school may apply to the Department through an 'access request'. These applications are developed by a school's learning and support team in consultation with school staff, specialist support teachers, school psychology and counselling services as well as parents/guardians.

#### **Exhibit 13: The Department's access request process for targeted supports**

Access request applications are decided by local departmental panels across the state. Panels comprise primary, secondary and School for Specific Purposes principal representatives for the area, with a learning and wellbeing team member and a senior psychologist education (both from the relevant regional Team Around a School). Panels meet seven times per year – twice a term in weeks three and seven (except in term one where they meet once). If an application is not supported by a panel, it may be resubmitted to the panel up to two more times before schools need to complete a new application for the student.

The Department tracks whether access request applications have been supported by the panel, deferred for a future panel meeting, declined by the panel or withdrawn by the school. Applications may include three priorities for the supports sought for a student, and it is possible to have more than one priority supported by the panel.

For students with diagnosed disability that falls within the Department's disability criteria (2003)



<sup>A</sup> Note: Requests for hearing and vision targeted supports do not need an access request. There is an automatic transition of integration funding support for students moving from Year 6 to 7. Applications requests for students moving from Year 6 into Year 7 commence when the student is in Year 5.

Source: Audit Office analysis of Department of Education procedures.

Our analysis of departmental data found that between 2018 and 2023, 74% of access request applications had the priority one supported, 11% had the priority two supported and four per cent had the priority three supported. Most access request applications made in this time period nominated integrated funding support (for support for a student with disability with moderate to high support needs to learn in a mainstream class) as priority one. This was followed by requests for placements in multi-categorical, or intellectual disability, or autism, or early intervention support classes.

Our data analysis identified that not all disability types, or priorities requested, had an equal chance of being supported by the relevant panel. Exhibit 14 outlines the number and proportion of different targeted supports sought as priority one, and supported by the panel, through access requests made between 2018 and 2023. Remaining applications had priorities deferred, declined or withdrawn.

**Exhibit 14: Top five most commonly selected priorities supported by panels from access request applications 2018–2023**

Priority Type	Number of priority one applications supported	Percentage of priority one applications supported
Integration Funding Support (IFS)	25,561	84%
Multi Categorical (MC) support class	17,123	67%
Moderate intellectual disability (IM) support class	13,067	55%
Autism (AU) support class	9,947	88%
Early intervention (EI) support class	5,954	74%

Source: Audit Office analysis of Department of Education data.

Schools are obliged to support the student from within existing resources during the time involved to identify the need for targeted supports, submit an access request application, have the application considered by a panel, and the support provided if the application is successful. Many schools told us that this was difficult to do in practice as no additional funding or staffing is provided to them in these circumstances. Some said they had engaged additional hours of a school learning support officer, bought additional technology, or made basic physical modifications to the school, where their school resources allowed. Under the Department’s guidelines, schools are not eligible to access additional targeted supports, or retrospective funding or provisions, during this time.

In response to the 2017 Parliamentary inquiry, the Department introduced a 28-day key performance indicator (KPI) on access request panel decisions, to try to resolve access requests in a timely manner. This KPI applies from the date a school first submits an access request to when a panel decision is documented. However, these changes do not track the time taken for targeted supports to be provided to eligible students, and have not addressed the convoluted process involved in access requests or the administrative burden for schools involved. Our 2006 audit specifically identified that the Department did not have data on the time taken for students to be placed in an appropriate setting.

In 2018, the Department planned to redesign the access request system more broadly, including to reduce technical issues with the relevant IT system, access requests being returned to schools multiple times, inconsistent advice and support for schools, and delays in responses to a request for student support. This project aimed to integrate the different systems that link the assessment of student needs and associated adjustments in the NCCD data to school applications for targeted supports, and facilitate ‘whole-of-support-life’ support for students. Commenced in 2022, it had not been completed at the time of writing. The Department plans to implement this IT system revision once other disability funding reforms are in place.

**Integration funding support provided for students in mainstream classes does not clearly reflect functional needs**

The Department has reviewed the funding model for integration funding support, but the new model has not been considered for approval or resourcing by government and is not yet in place. The existing model does not clearly align funding support with the functional needs of students with disability.

Integration funding support is intended to support students with disability who have moderate to high needs to learn in a mainstream class. The funding is not provided to individual students but to the school. Principals are responsible for using the total amount of funding allocated to the school for all the students who have attracted the funding through the school's successful access request applications, within departmental guidelines.

The school learning and support team and principal consider the total school allocations from the program, and the adjustments required for the funded students, to determine the best use of the total funding received by the school. This may include, for example:

- engaging an additional teacher for a temporary period (e.g. 2-4 terms) to be able to form smaller classes
- engaging some school learning support officer time to assist with personalised learning and support for students in the classroom
- pooling the allocated funding to obtain more hours of school learning support officers for a class in which a number of students who attracted the funding are learning
- providing relief from face-to-face teaching for classroom teachers to undertake professional learning and to plan adjustments with parents/ guardians and other school staff.

The Department's guidelines provide that integration funding support cannot be spent on additional school counsellor/psychologist time.

Principals are also expected to develop budget and expenditure monitoring procedures, establish a monitoring and evaluation cycle of student outcomes and meet with funded students' families, teachers and other relevant school staff annually to consider whether such support remains relevant and effective over time. A review of funding allocation may also be requested if changes to a student's summary profile show that their learning and support needs have changed, initiated by the school or by parents/guardians.

Exhibit 15 outlines the process by which integration funding support amounts are calculated by the Department.

## Exhibit 15: Integration funding support model

Under the model in place during the audit review period (2018–2023), integration funding support amounts were calculated by the Department using a statistical model with inputs from a desktop functional needs assessment of the student (known as the ‘summary profile’).

In their application to the Department for integration funding support, schools use the summary profile tool to document the level of support a student needs to be able to participate in school on the same basis as their peers without disability. This covers a range of domains: key learning areas, communication, participation, personal care and movement/mobility.

Schools answer questions within each domain, and the questions have different response values. These values are then added together to get an overall domain score. The four domain scores are ranked in descending order, and diagnosis-specific weights are applied to the four domain scores based on their rank. The weighted domain scores are summed and multiplied by a diagnosis-specific base amount to give the funding amount before indexation, loadings or adjustments. Examples of diagnosis-specific weights and base funds are as follows:

Disability	Diagnosis code <sup>8</sup>	Base funds (\$)	Weights			
			1	2	3	4
Autism	Au, A1	750	1	1	0.25	0.25
Autism	A2, A3	300	1.25	0.75	0.5	0.25
Hearing/Physical moderate	H1/Other	300	1	1	0.5	0.25
Hearing	H2	500	1	1	0.5	0.25
Hearing	H3, H4	750	1	0.5	0.25	0.25
Intellectual Mild/ Language	IN1/ EL1, ERL1, RL1	300	1	0.75	0.5	0.25
Intellectual moderate/ Physical moderate	IN2/ PH1	750	1	1	0.5	0.25
Intellectual Severe	IN3	750	1.25	0.75	0.5	0.25
Mental Health	MH1, MH2, MH3	500	1	0.5	0.25	0.25
Physical moderate	ABI, GenNote	500	1	0.75	0.5	0.25
Physical moderate	HMed	750	1	0.75	0.5	0.25
Physical moderate	Med	750	1	0.5	0.25	0.25
Physical severe	PH2	750	1	1	0.5	0.5
Vision	V1	300	1	1	0.5	0.25
Vision	V2	500	1	0.75	0.25	0.25
Vision	V3, V4	750	1	1	0.5	0.25

Source: Department of Education 2022.

Our analysis of the Department’s data found that a total of 76,832 students attracted integration funding support between 2018 and 2023. The Department’s data showed that over this period, the average funding allocated to schools per successful application was approximately \$21,000.

The Department’s functional needs assessments and statistical formula used to determine the integration funding amount for each student are not made transparent to schools or parents/guardians. A known issue with the formula is that students with identical summary profiles can attract different funding amounts if their primary diagnoses differ. The Department identified that this disproportionately impacts students with mental health diagnosis and Aboriginal students with disability.

Many of the schools we spoke with, and some of the stakeholders we heard from, said that often there was no clear alignment between students’ functional needs in the classroom and the integration funding support amount provided.

In 2021, the Department commenced a detailed review of the basis of integration funding support. Options for change considered included using NCCD data in place of diagnoses and banding the amounts provided to schools into eight alternative amounts (as is done in other jurisdictions), rather than the existing 350 different amounts. Exhibit 16 shows the proposed funding bands in terms of hours per week of a school learning support office, or the hours per week of a teacher – not both. The Department’s modelling suggested that most eligible students would fall into funding bands three and four.

**Exhibit 16: Proposed new integration funding support amounts**

Band	IFS amount (\$)	Hours per week of school learning support officer time	Hours per week of class teacher/ learning and support teacher
1	11,168	5	3
2	16,752	7.5	5
3	22,336	10	7
4	27,920	12.5	9
5	33,504	15	10
6	44,672	20	14
7	55,840	25	17
8	69,803	Full time equivalent	21

Source: Department of Education 2022 (unaudited).

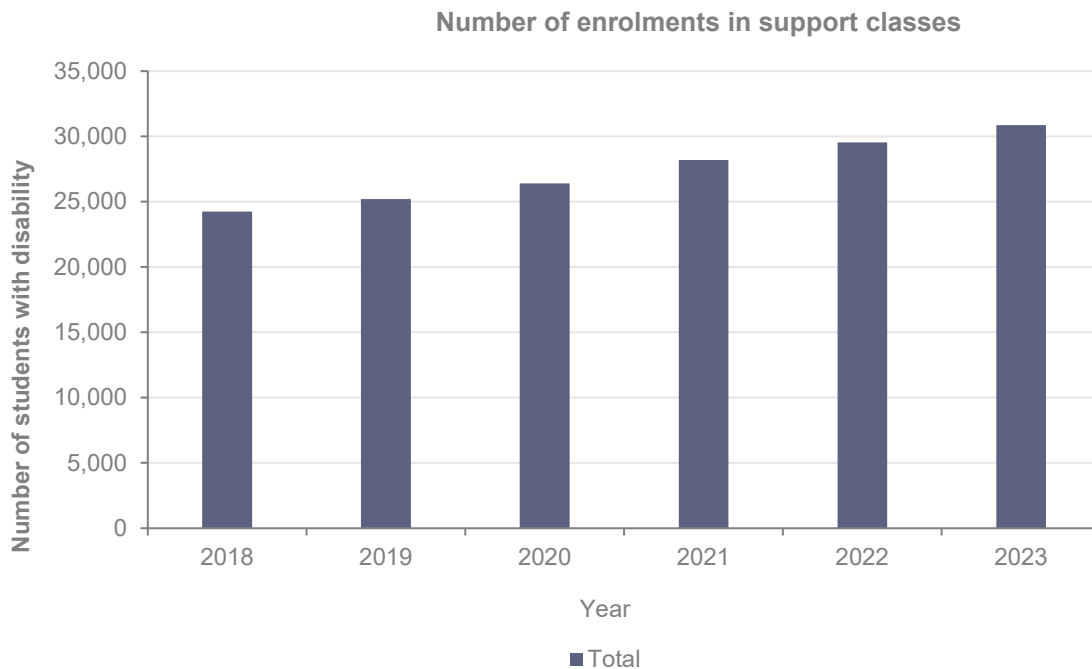
However, the proposed reforms had not been approved or resourced by government at the time of writing (see section 3.4 above) meaning that the potential misalignment between integration funding support and students’ learning needs remain.

**Support classes are not planned or distributed strategically to reduce supply constraints and unmet need**

Our 2006 audit [Educating primary school students with disabilities](#) recommended that the Department collect data on demand for special education services and use this to plan services at a school, region and state level. In 2023, while the Department has centralised oversight of support classes at a statewide level, and reviews the distribution of these classes annually, the process is not timely or effective in addressing supply constraints and unmet need.

Our analysis of the Department’s data shows that, across the state, there has been an increasing number of applications for support classes in mainstream schools and in Schools for Specific Purposes over the audit review period (Exhibit 17). Demand for autism, moderate intellectual and multi-categorical classes has grown faster than for other support class types.

## Exhibit 17: Number of students with disability enrolled in support classes 2018–2023



Source: Department of Education (unaudited).

However, the Department cannot readily tell where there is demand that outstrips the supply of support classes in specific schools or particular locations at any point in time.

Concerns regarding unmet demand were raised in the 2010 Parliamentary inquiry which recommended that the Department undertake an immediate investigation into the level of unmet demand for special education places and classes, and publish the results of this investigation.

Learning and wellbeing teams in schools are expected to collate data on their school's support class access request applications for students that are deferred by the panel, as evidence for the Department about the need for future support classes in a geographical area. This includes capturing the panel's decision on students' level of need (moderate, severe or urgent) and any review of panel decisions (appeals) sought.

There is no clear flag in the data captured from panels which indicates if a targeted support is not available. Data on access requests captures three priorities per applicant, and the decisions made on each priority by panels. However, the data collected does not consistently identify if an application has been deferred or declined by a panel due to lack of vacancies in existing support classes, lack of availability of other supports or other reasons. Without this information the Department does not know the number of students that have been deemed eligible for a targeted support but cannot access one. The Department does not maintain waiting lists for targeted supports where students were deemed eligible, but the support is not available.

As part of work done to inform the development of the 2019 Disability Strategy, the Department's consultants looked at different options for establishing and distributing new support classes. These included distributing support classes across all schools or increasing numbers of support classes where they already existed.

The Department has not taken decisions on these options yet. Instead, it has prioritised reforming the integration funding support for students with disability to learn in a mainstream classroom (discussed in section 3.4 above), as this is likely to impact on demand for support classes in mainstream schools, which in turn may affect demand for places in Schools for Specific Purposes. The Department advised that the strategic establishment and distribution of support classes are yet to be determined.

The Department has internally described its existing processes to establish, close down or relocate support classes as inconsistent, restrictive and administratively burdensome. The formal process to establish new support classes occurs annually and takes ten weeks to finalise. The Department considers data on the location of the schools applying, the status of existing support classes, and the decisions of panels. This is not systems-driven but involves manual data analysis.

A central delivery support team, regional teams, directors educational leadership, school principals and School Infrastructure NSW are involved in decisions about support class establishment. Roles and responsibilities are unclear, and there are potential inconsistencies in decision making across these different areas of the Department. The final sign-off process is also inefficient, with signatures required from School Infrastructure NSW on every new support class establishment even where there are no infrastructure requirements.

The process does not consider whether schools are willing to have a support class established until the final stage of the process. Based on the Department's analysis, in the 2022–23 planning cycle, out of the 151 new support classes proposed for establishment, around 45% (69 classes) ultimately did not proceed. The most common reasons for this included postponement, duplication, location inaccessibility, and issues with timing and staffing.

Support class establishment cannot take into consideration historical data or projections as broader planning data provided by the Department of Planning, Housing and Infrastructure does not include disability prevalence. This means that there may be out-of-cycle requests to establish support classes. This may include students moving into kindergarten who had not been identified in the enrolment process as requiring a support class placement, or students in later years who are new to NSW public schools.

The process also has impacts on school staff recruitment for classes that are established, closed down or relocated. The Department reports that there is strong demand for staff with expertise in teaching inclusive education that is not available in the current market. This means that schools are likely to experience difficulties in attracting staff with relevant qualifications or experience, or willingness, to teach in support classes.

## 3.6 Monitoring and supporting school practice

### The Department uses data relating to students with disability to inform policy and practice

The Department has statewide visibility over a number of datasets relating to students, including enrolment, attendance, suspensions, expulsions and nationwide assessments, such as NAPLAN and the HSC. Students with disability can be identified in these datasets after linking them with data collected through the annual NCCD census which records students with disability receiving educational adjustments (see section 1.2 above).

Insights from statewide data on students with disability was used by the Department's governance groups to inform relevant decision making and the development of the Disability Strategy and related initiatives. The Department typically used this data at a point in time, rather than for ongoing tracking of progress or outcomes.

Some datasets have been presented in dashboards for some executive staff, with the aim of improving visibility of relevant initiatives and identifying focus areas for improvement. For example:

- the access request dashboard is a KPI report that measures the number of access requests for immediate or next term support that have been resolved, and a decision communicated to parents or guardians within 28 days
- the disability professional learning dashboard was developed to provide timely data on relevant staff training course completions
- the Department is developing an executive dashboard to report on a subset of measures of the disability outcomes framework (see next subsection).

The Department also uses data to inform some planning decisions such as:

- access request data being used to inform integration building works conducted in schools and the establishment of support classes (see sections 3.2 and 3.5 above)
- developing the 'Small Group Tuition' intervention strategy on the basis of three years of COVID learnings, research, evaluations and stakeholder feedback. The Department is using NAPLAN results data to distribute Small Group Tuition to NSW public schools to support students with learning challenges, including students with disability.

The Department has also planned and/or conducted evaluations (incorporating qualitative and quantitative data) on a range of key initiatives, including the access request process reforms, the Schools for Specific Purposes supplementary funding, and the specialist allied health and behaviour support provider scheme.

### **The Department made progress to establish a comprehensive framework to measure the outcomes of students with disability**

Measuring outcomes is necessary to determine whether a strategy or programs are fulfilling their intended purpose and to understand the lived experience of students, families and school staff. The importance of understanding outcomes for students with disability was underscored by our 2006 audit report, which concluded that it was difficult to judge if learning outcomes for students were improving as existing performance measures did not provide sufficient information to monitor, manage and review relevant programs.

In 2019 the Department started to develop a framework to measure the outcomes of students with disability. These include wellbeing, independence and learning growth outcomes for students, informed by measures including students' perceptions, supports provided, educators' understanding and skills, and satisfaction of parents/guardians. In developing the framework, the Department consulted with over 600 parents/guardians, educators, people with disability, students with disability, Aboriginal community members, culturally and linguistically diverse community members, and stakeholders from regional, rural and remote locations.

The framework is comprehensive and evidence-based and deliberately minimised the administrative burden of data collection on schools by using existing datasets that schools already collect. Exhibit 18 provides more information about the framework.

#### **Exhibit 18: Domains, outcomes and metrics in the Department's disability outcomes framework**

<b>Domain</b>	<b>Outcome</b>	<b>Metric</b>
<b>Learning Growth</b>	Students receive adjustments to teaching and learning strategies based on their individual needs	<ul style="list-style-type: none"> <li>• Educators' understanding, skills, and capability in providing support to students with disability</li> <li>• Students' perceptions of their educators' expectations</li> <li>• Support for education providers to provide reasonable adjustments for students where required</li> <li>• Satisfaction of parents/guardians and students with disability who receive adjustments</li> </ul>
	Students demonstrate appropriate progress and attainment in learning against the applicable learning framework	<ul style="list-style-type: none"> <li>• Relevant assessment scores of students with disability</li> </ul>

Domain	Outcome	Metric
<b>Wellbeing</b>	Every student is known, valued and cared for in their educational setting. Students experience positive physical, emotional, social and mental health outcomes in their educational setting	<ul style="list-style-type: none"> <li>Improvements in wellbeing (sense of belonging, positive relationships)</li> <li>Students build relationship skills (e.g. communication and social skills)</li> </ul>
	Students feel safe, supported and confident to attend and engage in education	<ul style="list-style-type: none"> <li>Active participation of students with disability in all educational programs and activities (including in health and wellbeing program)</li> <li>Number of reported (including self-reported) incidents of bullying experienced by students with disability</li> <li>Student attendance</li> <li>Suspension or expulsion rates</li> </ul>
<b>Independence</b>	Students are supported to make informed choices on post-school pathways	<ul style="list-style-type: none"> <li>Student level of awareness of post-school options and choices (training, employment and/or further education)</li> <li>Proportion of students who are engaged in education, training or employment post-school</li> </ul>
	Students are supported through key transitions	<ul style="list-style-type: none"> <li>Proportion of students that are attaining the HSC or have a transition plan for post-school</li> <li>Satisfaction with level of support for key transitions (primary school to high school; high school to post-school)</li> <li>Participation in transition programs such as the Education Pathways Program and other school-related training programs</li> </ul>

Source: Department of Education 2024.

The Department nominated timeframes for implementation of the disability outcomes framework but did not meet any of the proposed timelines between 2019 and 2023. The Department advised that the finalisation of the framework was delayed in part due to the impact of COVID limiting consultation with schools, students and school communities.

The Department's progress on the framework since 2019 included:

- consulting students with disability and their families, educators, academics and sector representatives
- conducting an audit of all the data the Department currently collects that could provide meaningful information about outcomes for students with disability
- improving the accessibility of the annual Tell Them From Me surveys of students, parents/guardians and teachers, including adding two questions relevant to the experiences of students with disability, and translating the parent/guardian survey into 22 community languages
- obtaining legal advice confirming the lawful use of data from NCCD collections to include in the framework and report against publicly.

The Department also examined a subset of outcomes for students with disability. It engaged a consultant to analyse whether there were different outcomes for students with disability based on the type of targeted support received. This analysis showed that there were significant differences in some outcomes for students with disability that receive targeted support versus those who do not.

While there are many complexities in comparing progress or experiences across all students with disability due to the diversity in this cohort and data limitations, the implementation of the disability outcomes framework was still not timely. The Department executive endorsed the domains, outcomes and metrics for the disability outcomes framework in 2022, but it was not yet operational and had not been used to inform policy or practice, at the time of writing.

Since endorsement of the framework, the Department has updated the disability outcomes framework to reflect the final recommendations of the Disability Royal Commission and to ensure alignment with the NSW Government's 2023 Plan for Public Education. In 2024, the Department finalised an implementation and data plan to support the operationalisation of the framework. This included testing the first set of measures for learning, wellbeing, and independence outcomes using validated data from 2021 and 2022. Key insights from this exercise showed that, between these years, there were:

- an increase in students with disability reporting being verbally bullied in secondary school and primary school
- a decrease in the proportion of students with disability planning to complete Year 12 or go to university. Responses showed an increase in plans to do an apprenticeship or VET/TAFE course
- stable results in teachers' survey responses about whether they feel they have the skills and confidence to:
  - meet the needs of students with disability
  - strive to understand the learning needs of students with special needs
  - create opportunities for success for students who are learning at a slower pace
- lower NAPLAN scores for students with disability compared to other students.

The Department recently advised that it is implementing the framework in stages by linking NCCD data to identify students with disability in other outcomes data such as survey responses and academic results. It is continuing to test and validate measures to be able to implement the framework to support the Plan for NSW Public Education, which includes disability cohort measures. It is unclear if the Department still intends to publicly report on the disability outcomes framework, and if so, what the timelines for this would be.

### **The Department has no centralised visibility of school performance in supporting students with disability and complying with the Disability Standards for Education**

Although the Department has outlined clear expectations for inclusive education practice in schools under the Disability Strategy and the Inclusive Education Statement (Appendix four), it only began monitoring whether these expectations are being met across the state in 2024 (outside the audit review period).

In 2015, the Department introduced the School Excellence Framework to help schools monitor and report on their overall performance in learning, teaching and leading. Schools annually self-assess their practices against the School Excellence Framework to inform their individual Strategic Improvement Plans and public annual reports.

The Strategic Improvement Plan is a document that outlines the steps schools intend to take every four years to improve learning outcomes and the achievement and growth of all students. They reflect the areas for improvement identified through the School Excellence Framework, and the Department required that every school embed needs-based funding into their 2021-2024 Strategic Improvement Plans. Needs-based funding includes disability equity funding (see section 3.4 above).

The latest update of the School Excellence Framework in November 2023 included an increased focus on student wellbeing and inclusion, however the Department will not know how many schools are assessing themselves against these measures until the next assessment cycle in 2024. The Department indicated in the Disability Strategy that it intended to use the School Excellence Framework to improve school effectiveness in supporting students with disability in the future. The School Excellence Framework has also been proposed as a dataset for potential inclusion in the disability outcomes framework.

Another process by which the Department assesses school-level practice is through an annual policy monitoring process. This looks at school compliance with specific policies each year and provides an opportunity for school improvement and sharing amongst schools. The policy areas monitored vary each year and are selected by the Department on the basis of risk. For example, in 2024 the policies monitored related to training, child protection and school attendance.

The Disability Standards have been included in the policies being monitored annually from 2024. This will involve school principals attesting to their school's compliance with the Disability Standards, i.e. that there are processes in place to ensure reasonable adjustments for all students who need them, that the principal has discussed the policy requirements with relevant staff, that monitoring processes are in place, and that there is evidence available at the school to support this. Each director educational leadership will then endorse the principal's confirmation after a conversation with the principal (including sighting the relevant evidence).

The Department also conducts audits of schools. These focus on areas for risk and performance improvement identified through the School Excellence Framework, policy monitoring processes and other means. However, the Department has not conducted an audit of schools' inclusive education practices to date.

With these gaps in the existing school monitoring processes, and the disability outcomes framework still not implemented, the Department does not know at a central level the extent to which schools were meeting policy expectations and giving effect to inclusive education in practice, over the period 2018-2023.

### **Schools provide some information in their annual reports on their disability funding expenditure, but this is not outcomes-focused**

The Department requires schools to provide information on disability funding expenditure in their public annual reports, but this does not link to targets for supports or outcomes for students with disability, nor detail the impact of such funding.

Schools are required to report publicly on activities that were funded through their equity loadings and targeted integration funding allocation, including the impact, in their annual reports. Full copies of school financial statements are also tabled at annual general meetings of the school's parents and citizens association. The Department's view, with which we agree, is that it is not appropriate for schools to publicly report on targeted support for individual students.

Our 2020 audit report [Local Schools, Local Decisions: needs-based equity funding](#) found that the Department had not clearly communicated the purpose and expected outcomes of equity funding to schools, including whether or not schools should use these funds to support their broader strategic directions or to address the needs of specific equity groups, such as students with disability.

That audit concluded that the Department had not had adequate oversight of how schools were using needs-based equity funding to improve student outcomes. While the Department had provided guidance and resources, it had not set measures or targets to describe the outcomes expected of this funding or made explicit requirements for schools to report how these funds were used.

The audit also found that while schools were required to report on how they spent equity funding in school annual reports, such information did not always fully reconcile what was received and what was spent, leaving gaps in the public record on how equity funding was used in practice. Few schools described a measurable impact on student outcomes.

To improve accountability for equity funding to schools, the audit recommended that the Department determine suitable targets for all equity groups – including students with disability – at a school and a state level, and report performance against these targets.

Following the audit, ‘department targets’ and ‘individual school targets’ were introduced. However, none of these are specific to students with disability or inclusive education practice. The Department targets relate to academic performance in NAPLAN and HSC exams, student attendance, Aboriginal education, student growth and post-school pathways.

The Department advised that from 2021 all schools are expected to report internally on the impact of equity funding, not just the activities undertaken, and this is to be regularly monitored by the relevant director educational leadership. However, the Department does not have central visibility on the impact of disability equity funding, beyond the knowledge of individual directors. It expects the disability outcomes framework should help to provide this, once it is operational.

In each of the schools we spoke with, the school leadership talked about how they use the disability equity funding to support students with disability in their school. This included through, for example, hiring additional school learning support officers, engaging support from allied health professionals, and purchasing external school programs and activities.

In our analysis of a random sample of annual reports for 20 mainstream schools with and without support classes, schools reported using the relevant funding as follows:

- using **disability equity loading** in flexible ways including for school-wide programs, engaging specialist staff to collaborate with teachers, supporting teachers to differentiate the curriculum, and engaging allied health providers such as speech pathologists. The most commonly reported use of this funding by both schools with and without support classes was for additional school learning support officer time or learning and support teacher / interventionist teacher time.
- using **targeted integration funding support** to engage additional staff for students with high-level learning needs, intensive learning and behaviour support, professional learning and purchasing resources. The most commonly reported use of this funding was for additional staff, and to release staff to attend case conferences and to develop personalised learning and support plans for individual students.

### **The Department seeks input from students, parents/guardians and teachers but does not regularly use this to understand the experiences of students with disability**

The Department runs annual voluntary surveys of students, parents/guardians and teachers called Tell Them From Me. These surveys give respondents a direct voice to schools and the Department, but they have limitations as for all survey instruments, including self-reported data being subject to personal bias, affected by the particular experiences and identities of people completing it.

These surveys are also inaccessible for some students with disability with complex learning and communication needs. The Department is leading a project to provide schools with a suite of accessible tools to measure and understand the wellbeing and educational experience of these students, called ‘My Say, My Way’. They include alternative means of eliciting feedback including by enabling students to draw images and map their emotions on simple diagrams of their bodies (body mapping). These tools are being developed with innovative technology solution providers and through co-design with students, teachers and parents/guardians in NSW public schools. The Department plans to engage around 100 schools to co-design this alternative survey method in 2024, and make it operational from 2026.

Schools are encouraged by the Department to use data from the Tell Them From Me surveys to understand the needs of students in their unique contexts and to supplement insights with other feedback from the school community. Schools we spoke with had mixed experiences with the survey, with some schools using survey insights to drive practice and some reporting low value.

The Department used the Tell Them From Me survey data during the development of the Disability Strategy, and has tested and validated some of the proposed measures to include this survey data in the disability outcomes framework. However, this framework is not yet fully operational and has not been used to inform policy or practice. The Department does not otherwise regularly analyse Tell Them From Me survey data to understand the experiences of students with disability.

### **The Department's complaints management process is mostly effective, but gaps could be addressed**

The Department can obtain insight into school practice and student outcomes by analysing the complaints it receives. However, the Department does not have oversight of the number, type or trends in complaints arising at the school level, including about supports for students with disability. This lack of oversight may prevent the Department from identifying systemic trends and supporting schools to make improvements including in inclusive education practice. The Department advised that the benefits of centrally recording all concerns is outweighed by the expense and administrative burden associated with implementing a consolidated complaint system across all schools.

The Department's complaints management processes align with the whole-of-government expectations for good practice outlined by the NSW Ombudsman, but could be enhanced by:

- providing parents/guardians with independent advice and disability expertise prior to escalating their complaint to an external, independent party (e.g. the NSW Ombudsman)
- supporting schools to analyse complaints data
- ensuring school complaint handling and other policies are student-centric, accessible, efficient, safe, trauma-informed, and culturally appropriate.

The Department receives complaints made to it directly by phone, email, letter, or through its online complaint form. Concerns may also be raised in person. The Department aims for complaints to be resolved at the school level where possible. Complaints made to the Department will usually be referred to the relevant school for principals and managers to decide on what action to take, considering the nature and seriousness of the concerns, except for complaints about school principals. Complaints about school principals are referred to the Department's relevant director educational leadership responsible for overseeing the school. Complainants can request an internal review of the handling of the complaint if they can explain why the outcome of a complaint was incorrect, and/or how the complaint handling process was unfair and how this contributed to an incorrect complaint outcome.

Complaints that are escalated from schools to a director or submitted directly to the Department via the online form on its website, are captured in the Department's complaints management system.

The Department advised us that the purpose of the existing complaints handling policy is to quickly and effectively address any concerns raised by parents/guardians to support their children's education and is not designed as a way to measure outcomes. It considers that any redesign to create a centralised way for the Department to capture school-level complaints would be a major shift in existing procedures and would negatively impact on the administration workload of schools.

The 2017 Parliamentary inquiry made four recommendations about the Department's complaints handling processes. These recommendations have been completed or progressed. In 2023, the Disability Royal Commission recommended that state and territory governments expand their complaints management offices that 'operate within educational authorities at arm's length from schools' to help resolve complaints about schools, specifically complaints concerning the treatment of students with disability. The Commission recommended that these offices should be empowered to:

- provide students and parents/guardians with information about their rights and options when managing complaints
- request information and conduct conciliations, connecting families with advocacy support and specialist disability expertise where needed
- initiate a formal investigation if a complaint is serious or otherwise indicates systemic issues
- support and assist the complainant in referring matters to the appropriate regulator or independent oversight body if a complaint cannot be effectively resolved
- work with schools to analyse complaints and regularly report on how education systems might improve to reduce future complaints
- work with school principals to ensure school policies are student-centric, accessible, efficient, safe, trauma-informed and culturally appropriate.

This recommendation was jointly accepted in principle by the Australian Government and state and territory governments in July 2024.

### **The Department is not using relevant complaints data to understand whether the needs of students with disabilities are being met**

Our analysis of the Department's data identified that approximately two per cent (337) of the 18,102 total complaints received by the Department between 2018 and 2023 were disability-related complaints. This does not include concerns raised and resolved at the school level or by education support services. The Department is aware from previous Parliamentary inquiries and the Disability Royal Commission that students with disability and their families may be reluctant to make complaints about their school, to their principal, perceiving a conflict of interest and risk of negative consequences. However, the Department was not seeking feedback from complainants about the resolution of their complaint when these were made at the school level, or from students with disability and their families more broadly (in the absence of complaints).

During the audit review period the Department trialled an independent alternative dispute resolution process for complaints, and partnered with the Department of Communities and Justice to support advocacy for families of students with a disability (the Department's contribution of funding to the latter ceased in June 2024).

The Department advised that in May 2024, its procedures for handling community complaints were reviewed and revised. The revised procedures provide clear guidance that principals must act promptly on any reports of unfair treatment or detrimental action linked to a complaint and refer them to the Department for assessment. The revised procedure is expected to be supported by material for parents/guardians, students and other learners in relation to the complaint process with guidance on:

- making a complaint
- how the Department ensures a complaint is managed fairly
- the processes in place to protect parents/guardians, students and other learners in making a complaint.

The Department has also added new questions to the 2024 Tell Them From Me survey to obtain information about the experience of parents/guardians in raising and addressing concerns at the school level.

Ninety per cent of the 337 disability-related complaints made to the Department between 2018 and 2023 were about school performance. None of these complaints related to Aboriginal students or culturally and linguistically diverse students. This may indicate that there are particular barriers preventing these groups from making a complaint. The Department recognises that it could improve the accessibility of its complaints processes for Aboriginal people and culturally and linguistically diverse people.

The Department's internal analysis found that, in November 2023, disability-related matters were one of the top five issues raised by complainants in all complaints made or escalated to the Department. The Department did not identify potential systemic issues in this analysis. It is unclear how the Department uses complaints data to inform and drive system-wide improvements to schools in relation to meeting the needs of students with disabilities.

The Department advises that it uses complaints data to inform responses to inquiries, the development and review of policy and procedures, and the development of professional learning and resources for school staff on engaging with the community. It did not provide any examples of using disability-specific complaints data in this way. The Department expects that planned changes to the way that the issues of concern and outcomes of complaints are captured and reported in its complaint handling system will assist its understanding of issues that impact on parents/guardians, students and other learners. The Department intends to explore options to better use complaints data, and its inclusion in the disability outcomes framework, in the future.

Complaints can also be submitted to the NSW Ombudsman, or the Australian Human Rights Commission. During the audit period, the contact information for these external organisations was provided on the Department's website but no information about the role of these organisations was included. In 2024, the Department's revised community complaints procedures included more detailed guidance on the roles of these organisations, which has also been added to the Department's website.

The NSW Ombudsman advised us that it received 1,409 complaints about the NSW Department of Education, including schools, between 2018 and 2023. Four per cent of these complaints (60) were about the Department's alleged failure to accommodate disability. Common themes raised by these complaints were a lack of access to special schools, insufficient specialist supports to receive education in mainstream schools, and limitations placed on hours of student attendance at schools.

The Australian Human Rights Commission advised us that it received 189 complaints related to alleged breaches of the Disability Standards by all NSW schools (government and non-government) between 2018 and 2023. These complaints referenced over 400 disabilities, with many students identifying as having multiple disabilities. Most (63%) of the 189 complaints received by the Commission alleged that schools had failed to provide reasonable adjustments, such as not providing learning support, modified curriculum, or individual learning plans.

Many of these concerns were also raised with us by stakeholders (Exhibit 19).

### **Exhibit 19: Feedback to the audit from parents/guardians and teachers of students with disabilities and other stakeholders**

Between September 2023 and June 2024, the audit received 109 contributions via an online public mailbox. These were voluntary, sometimes anonymous, and shared people's relevant lived experiences.

Parents/guardians were the main contributors (46 contributions, or 42%), followed by Departmental staff (including teachers, school learning support officers and policymakers) with 28 contributions, or 26%. The remaining contributions were from other stakeholders including disability advocacy organisations.

Funding and staffing were significant matters for all contributors. They expressed concern that existing resources were stretched too thin and that consequently both children with and without disability received a compromised education.

Inadequate, slow or a lack of reasonable adjustments were also a focus of many contributions. In particular, parents/guardians expressed frustration that schools seemed unable or unwilling to make reasonable adjustments for children with non-physical disabilities such as autism. Some parents/guardians reported that this resulted in their children exhibiting challenging behaviours at school, and receiving unwarranted behaviour management interventions; or their children 'masking' their difficulties through positive behaviour at school and then struggling to regulate their emotions and behaviours at home.

Many contributors were concerned about the adequacy of professional development for school staff to understand and effectively support students with disability. Contributors shared experiences of staff not understanding the behaviours of children with a disability, resulting in increased suspensions or other interventions. Some parents/guardians wrote to note the difference a well-trained and informed teacher or school learning support officer had made to the experience of their child at school.

A number of parents/guardians also expressed frustration at unclear communication from schools relating to supports for their children, particularly around complex requirements and processes. Some parents/guardians wrote that schools did not engage them effectively about support for their child.

Some parents/guardians wrote to the audit to describe their experiences of gatekeeping, which the Disability Royal Commission describes as a process that denies students with disability access to the school of their choice or informally discourages their attendance. Other parents/guardians wrote about being strongly advised to enrol their child in a school with support classes to meet their child's needs rather than their local public school.

Contributors expressed varied views on the value of separate educational settings (support classes and Schools for Specific Purposes). On balance, more contributors were supportive of students with disability learning in mainstream classrooms but noted significant barriers to realising this goal including existing gaps in resourcing and staff expertise.

Source: Audit Office analysis of contributions to the audit public mailbox.

## **3.7 Compounding factors of disadvantage**

### **The Department's policies and approaches do not recognise the particular needs and barriers experienced by diverse groups of students with disability**

The Department has a legislative and policy obligation to understand and address the particular needs and potential barriers to accessing supports that may be experienced by students with disability who also have other identities or characteristics such as being Aboriginal, living in rural or remote areas, socioeconomic disadvantage or speaking English as an additional language or dialect (also known as intersectionality).

The NSW Public Service Commission's 2022 Belonging and Inclusion Strategy defines intersectionality as 'the interconnected nature of social categorisations such as race, disability, class, sexuality and gender as they apply to a given individual or group, regarded as creating overlapping and interdependent systems of discrimination or disadvantage'.

The *Disability Inclusion Act 2014* expresses key commitments of the NSW Government to give effect to the United Nations Convention on the Rights of Persons with Disability (ratified by Australia in 2008) in NSW. This includes that supports and services for diverse groups of people with disability should:

- recognise their particular needs and potential barriers to accessing supports and services, and
- be informed by consultation or partnership with their communities.

Diverse groups identified in the legislation include women with disability, Aboriginal people with disability, people with disability from culturally and linguistically diverse backgrounds, and people with disability who identify as LGBTQIA+.

The Department stated in its Disability Strategy that it was 'committed to building a more inclusive education system', defined as meaning that:

'...all students, regardless of disability, ethnicity, socio-economic status, nationality, language, gender, sexual orientation or faith, can access and fully participate in learning, alongside their similar aged peers, supported by reasonable adjustments and teaching strategies tailored to meet their individual needs. Inclusion is embedded in all aspects of school life, and is supported by culture, policies and everyday practices.'

The Department's strategy, the Inclusive Education Statement issued under it and its other relevant policies each focus on different cohorts of students, such as the:

- Aboriginal Education Policy
- Multicultural Education Policy
- Rural and Remote Education Strategy.

While these reflect relevant domains of diversity, they do not recognise intersectionality, i.e. that there may be particular needs and barriers in accessing supports for students with disability who are also members of other equity cohorts.

The Department notes that some policies, including its multicultural education policy and student behaviour policy (Appendix five), require that consideration be given to the needs and circumstances of all students. However, this is not the same as considering the particular needs and barriers in accessing supports for students with disability who also experience discrimination or disadvantage due to other factors as outlined in the legislation.

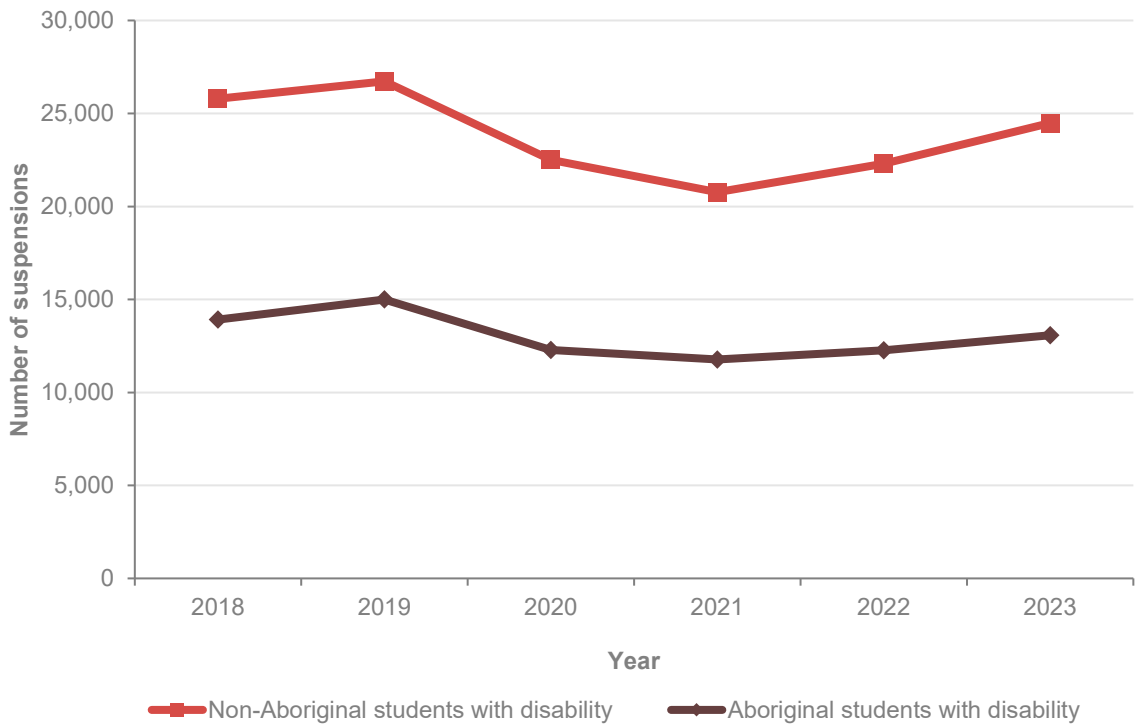
A risk remains that the Department's policies, funding streams and supports consider domains of diversity separately, rather than as overlapping, or as potentially compounding factors of disadvantage. Yet our analysis of the Department's data shows there is a need to focus on intersectionality.

### **Aboriginal students with disability are worse off than their non-Aboriginal peers with disability in relation to suspension, expulsion, individual student growth and reported experiences of bullying**

In 2023, although Aboriginal students made up nine per cent of the general student population in NSW public schools, they comprised 17% of students with disability.

While students with disability overall are overrepresented in suspension rates, Aboriginal students with disability are disproportionately suspended when compared to other students with disability. Between 2018 and 2023, 34% of all instances of suspensions of students with disability related to Aboriginal students.

**Exhibit 20: Instances of suspensions for students with disability by students' Aboriginal status**

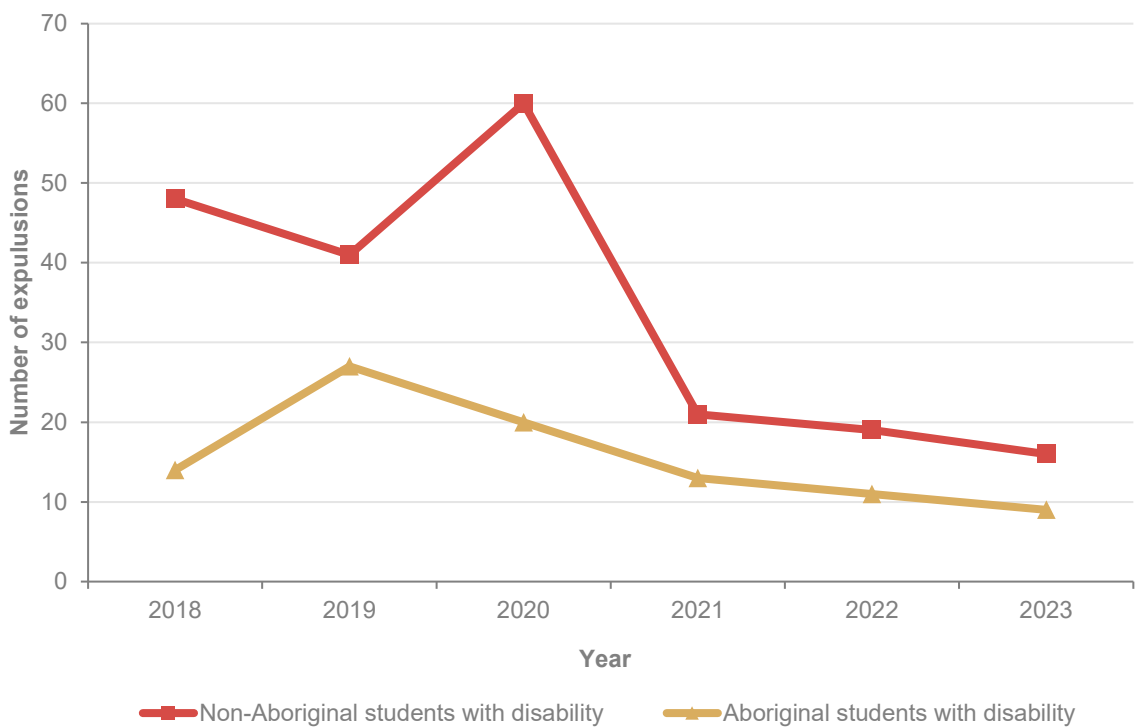


Note: Data for suspensions identified as blank, unknown or not provided has not been represented.

Source: Audit Office analysis of Department of Education suspension data.

Aboriginal students with disability were also disproportionately expelled from NSW public schools compared to non-Aboriginal students with disability. Between 2018 and 2023, 31% of all instances of expulsions of students with disability related to Aboriginal students.

**Exhibit 21: Instances of expulsions of students with disability by students' Aboriginal status**



Note: Data for suspensions identified as blank, unknown or not provided has not been represented.

Source: Audit Office analysis of Department of Education expulsion data.

Between 2018 and 2022, 17% of students participating in NAPLAN identified as Aboriginal. In this timeframe, all students participating in NAPLAN were assessed against national minimum standards for each of five exams (testing reading, writing, numeracy, spelling and grammar) as being below, at, or above standards.

Individual student growth is a measure of the progress of individual students in their NAPLAN results across their educational journey from Year 3 to Year 9. Our analysis of the Department's data found that for Aboriginal students with disability who participated in a NAPLAN exam more than once between 2018 and 2022:

- 49% had no change in whether they placed below, at or above the national minimum standards (compared to 62% of non-Aboriginal students with disability)
- 11% had an improvement, either moving from below the national minimum standards to be at the standards, or moving from being at to above the standards (compared to 11% of non-Aboriginal students with disability)
- 27% had a decline, either moving from being above the national minimum standards to be at the standards, or from being at the standards to be below them (compared to 21% of non-Aboriginal students with disability).

In terms of wellbeing, a higher proportion of Aboriginal students with disability than non-Aboriginal students with disability reported being bullied in the annual Tell Them From Me student survey, in each year of the audit review period.

### **Students with disability with English as an additional language or dialect have slightly better outcomes than other students with disability**

Nearly one in five students with disability in NSW public schools have English as an additional language or dialect (EAL/D). The Department's data shows that these students had slightly better outcomes than other students with disability.

Between 2018 and 2023, there were fewer instances of suspensions and expulsions for EAL/D students with disability compared to other students with disability.

Our analysis of the Department's data found that for EAL/D students with disability who participated in a NAPLAN exam more than once between 2018 and 2022:

- 63% had no change in whether they placed below, at or above the national minimum standards (compared to 59% of non-EAL/D students with disability)
- 13% had an improvement, either moving from below the national minimum standards to be at the standards, or moving from being at to above the standards (compared to ten per cent of non-EAL/D students with disability)
- 19% had a decline, either moving from being above the national minimum standards to be at the standards, or from being at the standards to be below them (compared to 22% of non-EAL/D students with disability).

### **There are differences in the suspension and expulsion rates between female and male students with disability**

In 2023, 61% of students with disability were male, and 39% were female. The Department does not collect information on other gender identities for students. From 2018 to 2023, male students with disability were disproportionately suspended, comprising 78% of all suspensions for students with disability.

There has been a reduction in the overall number of students with disability being expelled since 2020. The number of expulsions for male students with disability has decreased since 2020, while the number of expulsions for female students with disability has remained stable since 2021.

## The Department considered Aboriginal students with disability when designing and delivering some specific initiatives but has not addressed key impacts of intersectionality

The Department has committed to improving the educational outcomes and wellbeing of Aboriginal students overall. It has also considered the needs and experiences of Aboriginal students with disability through:

- collaboration between relevant business units in the Department responsible for Aboriginal education and disability policy initiatives (the Aboriginal Education and Communities Directorate; and the Inclusion and Wellbeing Directorate)
- developing resources to create culturally inclusive and responsive environments which includes plans to measure outcomes for Aboriginal students with disability in the future
- including a specific focus on Aboriginal students with disability in evaluations of targeted supports.

Under national agreements, NSW public schools must incorporate excellence and improvement measures for all Aboriginal students in the school's Strategic Improvement Plan. They are also encouraged to develop individualised Personalised Learning Pathways (PLPs) in consultation with students and families for all Aboriginal students. PLPs identify opportunities and obstacles that might impact a student achieving agreed goals, and help teachers to monitor and support a student's progress against these goals. They are not specific to students with disability and do not take the place of individualised learning plans developed for students with disability receiving targeted supports.

The Department has consulted with Aboriginal representatives on matters relating to supporting Aboriginal students with disability. However, we have not seen evidence that this consultation is regular or that the feedback received has influenced the design or delivery of departmental initiatives.

Nor has the Department addressed the impacts of intersectionality for Aboriginal students identified in the data, discussed above: that is, the poorer learning and wellbeing outcomes for Aboriginal students with disability compared to non-Aboriginal students with disability. Exhibit 22 below outlines feedback from key stakeholders about supporting Aboriginal students with disability.

### **Exhibit 22: Summary of stakeholder feedback on supporting Aboriginal students with disability**

In conducting this audit, we consulted with:

- NSW Aboriginal Education Consultative Group (AECG), the peak community advisory body to the NSW Government on Aboriginal education and training
- First Peoples Disability Network, a national organisation of Aboriginal and Torres Strait Islander people with disability, their families and communities
- The Department's Aboriginal Education and Communities Directorate
- Some schools in metropolitan, regional and rural locations with a high proportion of Aboriginal students.

Together they highlighted that supporting Aboriginal students with disability in NSW public schools needs to take account of the following:

- The importance of building strong relationships with students' families and communities, and creating culturally safe and responsive environments. At the school level, principals need to build trust with families so they feel comfortable coming into the school setting and working together with the school on support for students.
- The different perspective on disability in Aboriginal and Torres Strait Islander cultures from that of many non-Indigenous cultures: usually, disability is seen holistically, as part of the individual strengths and needs of the person rather than through a medicalised, deficit lens.
- Aboriginal education initiatives and programs (such as the Clontarf Academy, Girls Academy, Language and Culture Nests, Pirru Thangkuray, Community Connectors and the Kimberwalli Centre of Excellence) are by their nature personalised and inclusive of Aboriginal students with disability, without singling them out from other Aboriginal students.

- There is significant variability in how well schools support Aboriginal students with disability. Often schools in areas with higher Aboriginal populations do better because they can more easily access a network of cultural supports.
- Understanding the colonial history of Australia and of the local area including the impacts of intergenerational trauma (truth-telling), engaging with the local Aboriginal community or nation, and building cultural awareness and capabilities, should be requirements for professional learning, teaching and behaviour management policies and practices.
- Personalised Learning Pathways should be kept distinct from individualised educational support plans for students with disability: 'being Aboriginal is not a disability'.
- Aboriginal school learning support officers can make a significant positive difference to Aboriginal students with disability because of their community connections and cultural relationships to the students. However, there is also a risk of Aboriginal Education Officers – who are meant to focus on community engagement and cultural awareness for schools – being overly relied on for student support in the classroom when there is a lack of Aboriginal school learning support officers.
- Key to accessing supports is trusted relationships with individual service providers – including psychologists, occupational therapists, physiotherapists and speech pathologists. For Aboriginal communities in rural and remote locations, there are additional challenges with geographical distance and cultural safety in accessing specialists and support services, which can hinder the conduct of assessments and provision of supports for students with disability.

Source: Audit Office summary of information shared by the Department and stakeholders through mailbox contributions and consultations, 2023.

**The Department has taken some steps to consider other domains of diversity but has not reduced the impacts of intersectionality where these create compounding factors of disadvantage for students with disability**

The primary means by which the Department addresses intersectionality is through equity loadings in school funding. While taking steps to consider some domains of diversity amongst students with disability in policies and resources, the Department has not addressed the impacts of intersectionality where these create compounding factors of disadvantage.

The Department provides schools with equity loadings on their funding that are intended to ensure they can meet the needs of their students who may face disadvantage (Appendix six). The equity loadings reflect the number of students in a school who are Aboriginal, have a disability (whether diagnosed or not), are socio-economically disadvantaged and/or have low English language proficiency. Schools can combine these different equity loadings together and use other parts of their school budget to meet the needs of their particular students each year – including in a way that takes account of intersectionality. However, the Department does not monitor that schools have used equity loadings in a way that takes account of intersectionality, and whether this has improved the experiences or outcomes of relevant students.

We have also seen evidence that in designing, implementing and/or evaluating some programs and activities relevant to disability, the Department considered Aboriginal students with disability (see previous finding), students with disability with English as an additional language or dialect, and/or students with disability living in rural and remote locations. This includes in providing advice and professional learning to support school staff, and in contributing funding to the NSW Government's Disability Funding Advocacy Program for providers including First Peoples Disability Network (Australia) and the Multicultural Disability Advocacy Association of NSW.

The Department has not considered other domains of intersectionality when designing, implementing and/or evaluating programs and activities relevant to supporting students with disability, such as socio-economic disadvantage, gender diversity, or LGBTQIA+ status.

The Department intends to monitor intersectionality through the disability outcomes framework (section 3.6 above) including by considering outcomes data for key equity cohort indicators identified in the Plan for NSW Public Education 2024-2027: gender; Aboriginal and/or Torres Strait Islander status; residence in rural, remote and regional locations; and socio-educational disadvantage.

However, as discussed in the previous section, the disability outcomes framework was not operational during the audit review period 2018-2023. The Department has not been consistently monitoring intersectionality or reducing the impacts of intersectionality where this creates compounding factors of disadvantage for students with disability in this time.

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## 4. Are things improving for students with disability in NSW?

Under the Disability Strategy, the Department released the Inclusive Education Statement to provide direction and guidance on supporting the inclusion of students with disability in NSW public schools (section 3.2 above). The statement expressed a commitment of the Department to 'building a more inclusive education system... where every student is known, valued and cared for and all students are learning to their fullest capability.'

However, as the Department does not consistently monitor outcomes for students with disability or schools' inclusive education practices (section 3.6 above), it does not have oversight of whether the Inclusive Education Statement is being given effect and achieving desired outcomes for students with disability, parents/guardians and schools.

Our 2006 audit [Educating primary school students with disabilities](#) found that it was not possible to determine whether the performance of 'special education' services had improved over time as there had been no mechanism in place to measure results. It recommended that the Department develop a suite of performance indicators to monitor and manage supports for students with disability at a school, region and state level. This is still not being done systematically, and the Department cannot tell whether things are improving for students with disability in NSW.

Our analysis of the Department's data shows that over the audit review period 2018-2023 there has been improvement in some measures of school practice such as the use of suspensions and expulsions, and improvement in some student learning outcomes, but deterioration in some measures of student wellbeing.

### **Self-reported survey data shows improvements in the experiences of students with disability in primary school but these have worsened for students in secondary school**

Statewide data from the annual Tell Them From Me student survey shows that secondary students with disability are less likely to agree with statements related to receiving support from teachers in 2023 compared to 2018 (47% agreeing in 2018 declining to 44% in 2023). Results for students with disability in primary school to similar survey questions have remained steady with around 70% agreeing that their teacher supports them in both 2018 and 2023.

A higher proportion of primary school students overall reported that they had never been bullied in 2023 compared to 2018. For students with disability in primary schools, the proportion reporting that they had never been bullied lifted from 66% in 2018 to 69% in 2023, however there was variability across individual years. For primary school students without disability, 75% reported that they had never been bullied in 2018, compared to 76% in 2023.

The proportion of students with disability in secondary school reporting that they had never been bullied increased from 65% in 2018 to 69% in 2020, but then dropped to 66% in 2023. By comparison, the rate of students without disability reporting that they had never been bullied improved between 2018 and 2020 (from 75% to 78%) but then worsened in 2023 (74%).

Students with disability in both primary and secondary schools were less likely to agree with questions about having a sense of belonging at school in 2023 compared to 2018. For secondary school students with disability, 49% agreed with questions relevant to belonging in 2018, which dropped to 43% in 2023. In primary schools, where survey results indicate there was a greater sense of belonging amongst all students than in secondary schools, there was also a drop for students with disability from 62% in 2018 to 57% in 2023.

There has been an overall increase in parents/guardians completing the Tell Them From Me parent/guardian survey since 2018. Survey results show that parents/guardians of children with disability are less likely to have their child enrolled at their first choice of public school than parents/guardians of children without disability. The proportion of parents/guardians of children with disability reporting that their child was enrolled at their first choice has slightly worsened between 2019 (when the question was first included in the survey) and 2023, from 87% in 2019 to 85% in 2023. The proportion of parents/guardians of students without disability who said their child was enrolled at their first choice of public school remained steady between 2019 to 2023 at close to 90%.

### **There was limited individual student growth in NAPLAN results for the majority of students with disability**

Individual student growth is a measure of the progress of individual students in their NAPLAN results across their educational journey from Year 3 to Year 9. NAPLAN is an annual national assessment for all students in Years 3, 5, 7 and 9. It tests skills in reading, numeracy, writing, spelling and grammar.

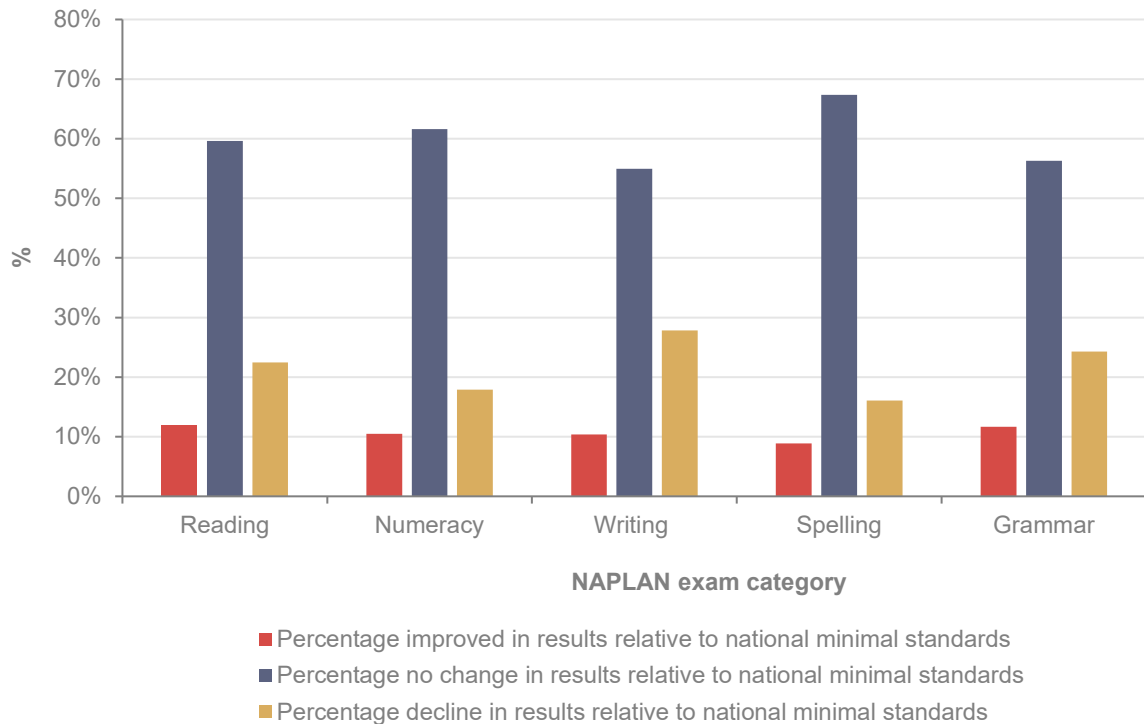
For most of the audit review period, all students participating in NAPLAN were assessed against national minimum standards in each exam as being below, at, or above standards. NAPLAN assessments and reporting changed in 2023, with four proficiency standards replacing the previous 10-band structure and the national minimum standards. For this reason, NAPLAN results from 2023 cannot be compared with those from earlier years.

Our analysis of the Department's data found that, for students with disability who participated in a NAPLAN exam more than once between 2018 and 2022:

- 60% had no change in whether they placed below, at or above the national minimum standards (compared to 83% of students without disability).
- 11% had an improvement, either moving from below the national minimum standards to be at the standards, or moving from being at to above the standards (compared to 4% of students without disability).
- 22% had a decline, either moving from being above the national minimum standards to be at the standards, or from being at the standards to being below them (compared to 9% of students without disability).

Exhibit 23 provides a breakdown of our analysis of student growth for each test type for students with disability between 2018 and 2022.

**Exhibit 23: Percentage of NSW public school students with disability who had improvements, no change or decline in NAPLAN results relative to national minimum standards between 2018–2022**



Notes:

\* Percentage improved is change from 'being below national minimum standards' to 'at national minimum standards' or from 'at national minimum standards' to 'above national minimum standards.'

# Percentage decline is change from being 'above national minimum standards' to 'at national minimum standards', or 'at national minimum standards' to 'below national minimum standards.'

There were no NAPLAN tests held in 2020 due to the COVID pandemic.

Source: Audit Office analysis of Department of Education NAPLAN data.

It will be important for the Department to work with schools to consider the supports in place for those students with disability who had a decline in NAPLAN results (relative to national minimum standards over time), or show other signs of need in other measures of individual student growth.

**The number of students with disability receiving HSC results is increasing, but less than half are eligible for tertiary entrance ranks**

The number of students with disability participating in the HSC increased over the audit review period, with 8,445 students receiving results in 2023 compared to 4,990 in 2018. On average, more than half of the students with disability who participated in the HSC were not eligible for an Australian Tertiary Admissions Rank (ATAR) as they had not satisfactorily completed at least ten units of HSC courses. Tertiary institutions including universities use the ATAR for admission in some courses. However, the proportion of students with disability who are eligible for an ATAR has steadily increased between 2019 and 2023 (from 41% to 48%).

**There was a decline in the number of short suspensions issued to students with disability, but they continued to be suspended at disproportionate rates**

Students with disability were disproportionately suspended in each year of the audit review period 2018-2023. Of all the suspensions (385,382) issued over this six-year period (to either primary or secondary students), 58% were issued to a student with disability (223,706).

In relation to individual students, 52% of the students with disability that were suspended in any given year of the audit review period had been suspended multiple times within a school year (33,551 students).

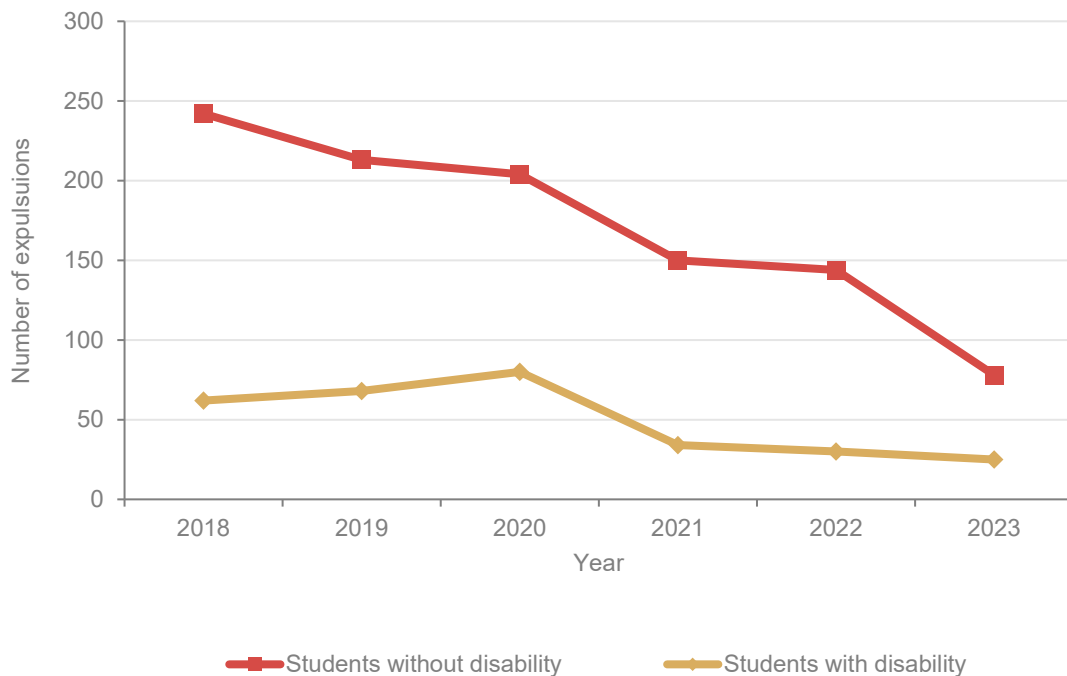
There was a decrease in the number of short suspensions (0-4 days in length) issued to students with disability between 2019 and 2023. However, there was an increase in suspensions of 5-14 days issued to students with disability in 2023, after relatively stable rates in these types of suspensions between 2018–2022.

**The number of students overall being expelled has reduced but this has declined more rapidly for students without disability than for students with disability**

Between 2018 and 2023, 22% of the 1,290 students expelled from NSW public primary and secondary schools were students with disability.

There was a decline in the number of expulsions for students without disability from 242 in 2018 to 78 in 2023. For students with disability, there was an increase in the number of expulsions from 62 in 2018 to 80 in 2020, and then a reduction to 25 expulsions in 2023 (see Exhibit 24 below).

**Exhibit 24: Number of expulsions from NSW public schools of students with and without disability, 2018–2023**



Source: Audit Office analysis of Department of Education expulsions data.

## **Section two**

### Appendices

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# Appendix one – Response from entity



Mr Bola Oyetunji  
Auditor-General for New South Wales  
GPO Box 12  
SYDNEY NSW 2001

DGL24/737  
RML24/3091

Dear Mr Oyetunji

Thank you for your correspondence of 23 August 2024, seeking the Department of Education response to the final performance audit report on supporting students with disability. I note you also wrote to the Deputy Premier and Minister for Education and Early Learning regarding this audit.

The department has carefully considered the audit report and I am pleased to support two of the recommendations in full (1 and 4), partially support two recommendations (3 and 5), and support recommendation 2 in principle. Please find enclosed the department's detailed response to each recommendation.

I would like to thank the Audit Office of NSW for their professionalism and collaborative approach to working with department representatives and our schools.

Equity is at the heart of public education and Our Plan for NSW Public Education, and the audit process and report will help inform and drive projects that support students with disability and deliver on our strategic goals.

We have already begun acting on the audit's recommendations and are committed to achieving progress within the specified timeframes.

Should you have any questions or concerns, please contact

Yours sincerely

A handwritten signature in blue ink, appearing to read "Murat Dizdar".

Murat Dizdar  
**SECRETARY**  
**DEPARTMENT OF EDUCATION**  
20 September 2024

Encl.

**NSW Department of Education response to the NSW Auditor General’s Report to Parliament on the supporting students with disability performance audit 2023**

Audit recommendation	Department position	Explanatory notes
<p>1. At least annually, monitor the experiences and outcomes of students with disability to:</p> <ul style="list-style-type: none"> <li>a) identify and address emerging issues</li> <li>b) identify and promote good practice</li> <li>c) take effective steps where there is a need to improve longer-term student outcomes, and</li> <li>d) consider the impacts of intersectionality.</li> </ul>	<p>Support</p>	<p>Our Plan for NSW Public Education outlines how the department will create an equitable and outstanding education system.</p> <p>The department commenced monitoring and reporting on Our Plan for NSW Public Education in 2024. The Plan includes student success measures that tell us about the experiences and outcomes of students.</p> <p>The department identifies students with disability as a cohort using the Nationally Consistent Collection of Data on Students with Disability which is collected annually.</p> <p>Complementary to the Plan and specific to students with disability, the department is progressing work to track and monitor the experiences and outcomes of students with disability to drive evidence-based policy, programs and initiatives to improve experiences and outcomes for students with disability. It is intended that this will include insights to identify need, emerging issues and good practice and target supports to schools and students with disability across key intersectionality groups (Aboriginal and/or Torres Strait Islander students, students in rural, remote and regional locations, students who speak English as an additional language or dialect, by gender and socio-educational advantage).</p>

Audit recommendation	Department position	Explanatory notes
		<p>The measures to track and monitor outcomes for students with disability were identified, among a broader range of measures, in consultations the department conducted with students with disability, their families, educators, experts and other stakeholders and partners.</p> <p>The department will commence monitoring measures for students with disability and using these insights to improve outcomes for students with disability from 2025/26.</p> <p>Given data development requirements, some measures are still being finalised and will feature in monitoring as they become available.</p>
<p>2. Continue to expand the use of NCCD data to support the allocation of funding in accordance with the needs of students of disability.</p>	<p>Support in principle</p>	<p>As noted in the audit report, the department continues to undertake work to reform how funding for students with disability is allocated to schools so that it better reflects the needs of students with disability. This has involved exploring how the NCCD can be used to inform funding allocations as well as ongoing work to improve the quality of NCCD data.</p> <p>Students have diverse needs and disability specific funding allocations are not the only source of funding schools use to support students with disability.</p> <p>Schools are funded to support all their students. In addition to base funding, they receive equity loadings (one of which is for disability) and may also receive additional targeted funding for disability and other student needs such as refugee status. Some students will</p>

Audit recommendation	Department position	Explanatory notes
		<p>attract more than one equity loading in terms of their school's budget.</p> <p>Neither the Low Level Adjustment for Disability equity loading, nor disability targeted funding are designed to meet all of the needs of every student with disability in isolation of the school's broader budget. They are enhancements to the school budget that support the principal to flexibly use their whole of their budget to support all students enrolled in the school.</p> <p>The review of the funding models has been designed to move the department to provide disability-specific funding in accordance with disability need as identified by the school through the NCCD. As the NCCD reflects the effort of schools to support students with disability, this approach allows for the funding to better reflect that effort.</p> <p>In 2022, the allocation methodology for the Low Level Adjustment for Disability equity loading was reviewed to incorporate the NCCD. The funding reform work has now moved on to exploring how NCCD might be used to inform the allocation of targeted disability funding.</p>
<p>3. Work with the Australian Government on reviews of the disability loading settings to ensure NSW public schools are adequately funded to support students with disability.</p>	<p>Partially support</p>	<p>The Students with Disability Loading which is paid from the Commonwealth and State Government to the department as part of the Schooling Resource Standard is supposed to represent a benchmark for the additional funding required</p>

Audit recommendation	Department position	Explanatory notes
		<p>above base funding to support students with disability. It does not entirely represent the way in which students with disability are funded in NSW Public Schools.</p> <p>Funding itself is not a disability adjustment and not all disability adjustments require funding. The adjustments students need are dependent on context and can change over time. Further, individual students who have the same disability can have very different support needs. Given this, it is difficult to determine what is 'adequate' in terms of resourcing.</p> <p>Work has been undertaken by the Commonwealth Government on more than one occasion to determine if the loading is sufficient, but this has been a challenging question to answer. The department has participated in the reviews noting that the most recent one was conducted during COVID, which added to the complexity of this work and impacted on its reliability.</p> <p>The Department will continue to work with other States and Territories and the Commonwealth to determine a loading that best meets the needs of students with disability.</p>
<p>4. Work with stakeholders to enhance guidance and practical support to public schools and families on reasonable adjustments for students with disability, including ways to resolve conflicting views in a timely manner.</p>	<p>Support</p>	<p>The department is committed to ensuring school staff have access to support and expertise to build the capability they need to implement personalised learning and support including providing adjustments. The department acknowledges the important role parents and carers play in the personalised learning and support planning</p>

Audit recommendation	Department position	Explanatory notes
		process. We also acknowledge our responsibilities under the Disability Standards for Education 2005.
<p>5. Improve the planning and delivery of targeted supports by:</p> <ul style="list-style-type: none"> <li>a) obtaining a clear and timely picture of the supply and demand of targeted supports at a more specific level than statewide to be able to identify and address constraints</li> <li>b) monitoring the time taken for targeted supports to be provided to eligible students, and addressing delays so that adequate support is put in place once need is identified</li> <li>c) reducing the administrative burden for schools in applying for targeted supports, and</li> <li>d) making the basis for decisions transparent to schools and families.</li> </ul>	Partially support	<p>As referenced in the Audit report targeted supports include <i>'integration funding support for students with diagnosed disability in mainstream classes who have moderate or high support needs, student placement in support classes in mainstream schools or in Schools for Specific Purposes, distance education and support from itinerant (visiting) teachers for vision or hearing impairment.'</i></p> <p>The department partially supports this recommendation with several relevant initiatives already underway to improve the way targeted supports are planned for and received by students with disability.</p> <p>The delivery of targeted supports at a local level are managed by schools with system-level policy advice and support provided as required. A broad system level picture of targeted supports is provided each year.</p> <p>The implementation approach to these recommendations, particularly as to capturing picture of supply and demand of targeted supports at a more specific level than statewide will need to consider any additional administration burden on schools.</p>

# Appendix two – Relevant initiatives and supports

## Department of Education initiatives and services to meet the needs of students with disability in NSW public schools

Domain	Measure / support	Description
Community Inclusion	Personal Care in Schools including High Needs	<p>Supporting students with their personal care needs while at school, in areas such as:</p> <ul style="list-style-type: none"> <li>• toileting and personal hygiene</li> <li>• eating and drinking</li> <li>• mobility and positioning</li> <li>• managing health conditions.</li> </ul> <p>In the classroom, teachers and school learning support officers will often combine personal care supports with learning activities.</p>
	Interpreting and translations	<p>The Department funds the cost of interpreters for those who do not speak or understand English well, are d/Deaf or hard of hearing, or have a speech impairment. Key department documents are translated into a wide range of community languages. These translated documents include information about getting ready for school, making a complaint and support persons and advocates.</p>
	Consulting with parents/guardians	<p>Schools support students through planning, personalising, implementing and evaluating reasonable adjustments in consultation with parents/guardians and students as part of personalised learning and support planning.</p>
Advocacy and Safeguarding	Ensuring that parent/guardian communication is accessible and helpful	<p>The Department provides accessible and inclusive student and parent/guardian communication. Parents and guardians are given strategies to contact schools.</p>
	Minister's Student Council (Department of Student Voices in Education: DOVES)	<p>The DOVES Council was created in 2021 following a request from the NSW Government to develop a formal structure to access student views. It involves 27 advocates from each of the nine educational directorates in NSW including Connected Communities. Three students from each directorate are elected to the council. DOVES Council meets twice a term either virtually or face-to-face where students openly discuss issues to be raised with the Minister, participate in workshops, and hear about Department initiatives. DOVES Council provides advice on education and school policy as well as feedback to aid in the planning and development of Department programs. This includes, but is not limited to, the experiences of students with disability and inclusive education practice.</p>

Domain	Measure / support	Description
	School community and consumer complaints process	The Department is committed to working with students and families to ensure all students are happy and thrive at school. The Department is working to ensure complaints are effectively managed and resolved promptly.
	Disability Advocacy Futures Program (DAFP)	The DAFP provides free, personalised individual advocacy support to students with disability and their families to navigate the education system, and work collaboratively with schools and families to provide students with options for the support they need to thrive at school. The DAFP also provides another avenue for schools to meet the needs of students with disability when encountering complex issues. The department's funding into the DAFP ceased in June 2024.
	Specific roles in schools	<p>Many people contribute to supporting students with disability and additional learning and support needs and they have a wide range of roles and responsibilities to fill. These include:</p> <ul style="list-style-type: none"> <li>• Team Around a School</li> <li>• Classroom teacher</li> <li>• Learning and support team</li> <li>• Learning and support teacher</li> <li>• Assistant principal learning and support</li> <li>• Transition support teacher, early intervention</li> <li>• Itinerant support teacher (hearing or vision)</li> <li>• Itinerant support teachers (conductive hearing loss)</li> <li>• Assistant principals (hearing or vision)</li> <li>• Support teacher transition</li> <li>• School learning support officer</li> <li>• School counsellor</li> <li>• Senior psychologist education</li> </ul>
School Education	Team Around a School	The Team Around a School provides advice and support to schools with professional learning, individual student plans, support for diverse learners, students with complex support requirements, behaviour support and developing partnerships with external agencies. It comprises non-school based roles such as the learning and wellbeing team, networked specialist facilitators and inclusion coordinators, as well as school-based roles including assistant principal learning and support, senior psychologists education and itinerant teachers.
	HSC Disability Provisions and NAPLAN online	Disability provisions are practical arrangements that enable students with permanent or temporary disability to access the HSC examinations on the same basis as other students. NAPLAN online enables the use of tailored testing instead of a static approach. Tailored tests give students questions that are better suited to their ability, resulting in more informative assessment and more precise results.
	Equity Placement Model	The Equity Placement Model aims to reduce the gap in participation from different equity group students in opportunity classes and selective high schools.

Domain	Measure / support	Description
		<p>A percentage of student places at each school will now be held for students from the four equity groups, including gifted students with disability to increase their participation.</p> <p>The Department has also produced information sheets for teachers on supporting high potential and gifted students with disability including ADHD, anxiety, autism and dysgraphia.</p>
	Braille and Large Print	Braille and Large Print Services provide support and materials in alternate formats for students who are blind or have low vision who are supported by an itinerant support teacher (vision).
	Inclusive Assessment Program	From 2024, the Inclusive Assessment Program (IAP) provides educators with two assessment tools to assess, support and scaffold learning for students with complex learning needs. This could include students with: moderate to severe intellectual disability or mild intellectual disabilities who require extensive support for emotional regulation; or physical disabilities who need support developing their early language and learning skills, particularly those who may be non-verbal and/or pre-intentional in their communication.
	NSW Centre for Effective Reading	The NSW Centre for Effective Reading provides a model in which students who demonstrate low progress in reading following evidence-based classroom teaching will receive additional support. A three-tiered system of support is available for students and teachers: universal indirect service; targeted direct service; and intensive direct service.
	Disability Funding Reform	The Disability Funding Reform project seeks to ensure funding for students with moderate to high disability support needs is allocated equitably.
	Low Level Adjustment for Disability	<p>Through the low level adjustment for disability (LLAD) equity loading, every mainstream public school receives a learning and support teacher allocation. Learning and support teachers work directly within the school to provide additional support for students. The loading also provides mainstream schools with flexible funding to support students with additional learning and support needs.</p> <p>Amounts quoted are on a calendar year basis, are approximate and include the flexible funding and FTE component combined.</p>
	Integration Funding Support	Integration Funding Support helps schools to provide adjustments for students with disability in mainstream classes who have moderate to high learning and support needs – as defined by the Department's disability criteria.
	Support Class Establishment Grants	Establishment Grants are used by schools to purchase technology and resources needed to set up a new support class.
	Support classes	Support classes in mainstream settings are located in some primary schools, high school and central schools

Domain	Measure / support	Description
		across NSW for students with moderate to high learning and support needs.
	Schools for Specific Purposes (SSPs)	SSPs provide specialist and intensive support in a dedicated setting for students with moderate to high learning and support needs.
	Supplementary funding for Schools for Specific Purposes	This initiative was introduced as an interim solution in 2020 to temporarily alleviate critical resource constraints for Schools for Specific Purposes while a long-term solution was developed to address longstanding structural and workforce inequities issues.
	Streamlining access requests	This reform program aims to align resources for targeted supports with school efforts in making adjustments to meet the functional needs of students with disability, rather than a measure based on a diagnostic label.
	Sport and disability	The School Sport Unit Disability Program is a comprehensive initiative designed to promote inclusivity and participation in sports and physical activities among students with disability across NSW. Students can attend a number of events with their school including the Boccia and Ten Pin Bowling knockouts and the Come-and-Try athletics and Multi-Sport days.
School inclusion	Dance workshops for students with disability	These one-day workshop suit students in Years 3 to 12 and cater for all disabilities. During the workshop, students and teachers have the opportunity to discover new forms of physical expression in an engaging and supportive environment.
	D'Arts Dance Ensemble	Students with disability learn specifically choreographed repertoire to support students participation in the Schools Spectacular performance.
	Signing Choir Ensemble	Students in Years 4-12 with Auslan experience come together to perform repertoire as a part of selected music festivals.
	Connections showcase	This annual showcase is an opportunity to celebrate the creativity of NSW public school students with disability. Showcase submissions are open to students in Kindergarten to Year 12 who are interested in creative practices such as music, dance, visual arts, public speaking, film and drama. The creative and performing arts projects can be completed by schools, classes or individual students. Submissions are then compiled into a digital showcase celebrating the creativity of students with disability.

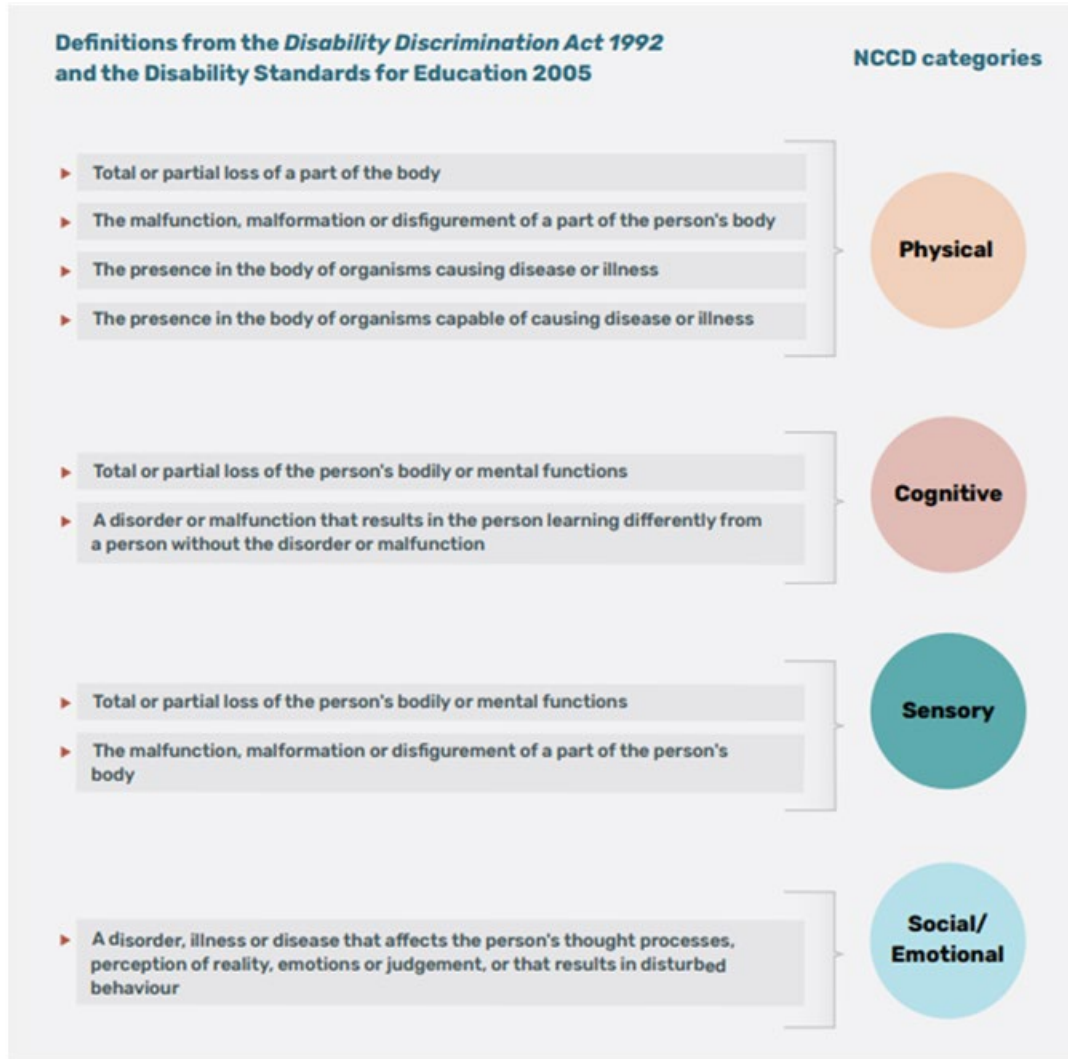
Domain	Measure / support	Description
	My Say, My Way	This initiative aims to provide schools with a suite of accessible survey approaches to enable students with disability and complex learning needs the opportunity to provide feedback on their experiences of school. It addresses a gap in schools because the mainstream Tell Them From Me (TTFM) survey is not accessible for some students. TTFM was developed for students in Year 4-12 and includes surveys that provide insights on student engagement, wellbeing and effective teaching practices. The Department plans to co-design My Say My Way with around 100 schools in 2024 and roll it out across the state in 2026.
Health	School counselling service	The school counselling service had over 1,200 full time equivalent staff as at June 2024. Every school in NSW has access to a school counsellor/school psychologist. There are also Student Support Officers to support the mental health and wellbeing of students. The department has also established a rural and remote telepsychology service. The school counselling service work closely with school learning support teams to identify and assess students with disability and those requiring additional support.
	Student Wellbeing Support	The Department supports equitable outcomes for students with a disability by connecting students to the support services they need, building collaborative partnerships across agencies and providing wrap around support to schools to meet student learning requirements.
	Specialist services and external providers	Including schools applying strategies from psychologists, speech pathologists and occupational therapists to support students' educational outcomes.
	Specialist Allied Health and Behaviour Support Provider Scheme	This scheme supports NSW public schools that may need to engage specialist allied health services to ensure learning adjustments are appropriate and effective for students. It comprises a panel of prequalified providers for schools to source services from where needed to support students with disability.
Strategy and Planning	Outcomes Framework	A comprehensive tool to understand the outcomes of students with disability, the Outcomes Framework sets out how the Department will monitor progress across high-level domains: learning growth, wellbeing and independence.
Transport	Assisted School Travel Program (ASTP)	The ASTP plays a significant role in meeting the needs of eligible students with disability by providing free specialised transport to and from school where parents/guardians are unable to provide or arrange transport for the student either fully or in part.
Infrastructure	Disability access infrastructure maintenance and integration works	Physical spaces must be accessible of all types of diverse student needs, and this needs to be incorporated into the design of new and upgraded schools.

Domain	Measure / support	Description
Workforce capability	Education Leaders Training	The Disability Standards for Education: Education Leaders training has been mandatory for directors, educational leadership, principals, deputy principals, assistant principals and head teachers since July 2020.
	Professional learning for teachers and school support staff	A range of ongoing high quality professional learning opportunities can help teachers and support staff meet the educational needs of the diverse range of learners in their classes. These include Disability Standards for Education e-learning and a suite of nine courses addressing a range of diverse disabilities.
	Inclusive Practice Hub	The Hub provides evidence-based practice teaching resources for schools to support students with disability and additional needs.
	Trauma Informed Practice	In an educational context, trauma informed practice is a strengths-based framework in which education systems, schools and school staff understand, recognise and respond effectively to the impact of trauma on students. The Department advised that there were 220 trauma informed practice facilitators across the state as at October 2023.
	Inclusive Executive Enhancement	Schools with seven or more support classes have received increased resourcing for dedicated leadership roles to support the inclusion, learning and wellbeing of students with disability. This responds to requests from schools for more dedicated support to meet students' needs.
	Inclusive Practice in Education Scholarship Program	The Department launched a scholarship program in 2019 targeting existing qualified teachers wishing to retrain in inclusive or special education. The scholarship offers a significant professional development opportunity for eligible teachers to study while maintaining their current permanent position.
	Grow Your Own – Teacher Training Program	This program, part of the NSW Teacher Supply Strategy, provides a supported pathway for school learning support officers to train as teachers. Students will benefit from having teachers experienced in working with diverse learning needs.
	School counsellor and psychologist scholarships	The department continues to offer scholarships for teachers and psychology graduates to become school counsellors or school psychologists.
	Disability Inclusion Action Plan 2021–2025	The department has recently appointed a lead, disability employment and a disability adviser to support continued delivery of Disability Inclusion Action Plan projects. This focuses on inclusive workplaces.

Source: Department of Education, 2024.

# Appendix three – NCCD definitions

## Definitions of disability and the Nationally Consistent Collection of Data on students with disability (NCCD) categories



Source: Australian Government, Nationally Consistent Collection of Data (NCCD) on school students with disability, sourced 2024.

## Levels of adjustment and examples under the NCCD

Level of adjustment	Examples of adjustments
Support provided within quality differentiated teaching practice (QDTP)	<p>Students with disability are supported through active monitoring and adjustments that are not greater than those used by teachers to meet the needs of diverse learners in their class. These adjustments are provided through usual school processes, without drawing on additional resources, and by meeting proficient-level Teaching Standards (Australian Institute for Teaching and School Leadership).</p> <p>Adjustments are made infrequently as occasional action or frequently as low-level action such as monitoring. Examples:</p> <ul style="list-style-type: none"> <li>• explicit minor adjustments including differentiated teaching, assessments or activities</li> <li>• adjusted student workload expectation</li> <li>• different mode of presentation of learning e.g. verbal not written</li> <li>• professional learning to support some medical conditions e.g. asthma, anaphylaxis</li> <li>• building modifications that already exist in a school and cater for a student's disability (no additional action is required to support their learning).</li> </ul>
Supplementary adjustments	<p>Students with disability are provided with adjustments that are supplementary to the strategies and resources already available for all students within the school. Adjustments occur for particular activities at specific times throughout the week such as:</p> <ul style="list-style-type: none"> <li>• provision of course materials in accessible forms</li> <li>• co-regulation strategies</li> <li>• modified or tailored programs in some or many learning areas</li> <li>• specialised technology</li> <li>• separate supervision or extra time to complete assessment tasks</li> <li>• provision of an external support service.</li> </ul>
Substantial adjustments	<p>Students with disability who have more substantial support needs are provided with essential adjustments and considerable adult assistance. Adjustments occur at most times on most days and may include:</p> <ul style="list-style-type: none"> <li>• additional support or individualised instruction in a highly structured manner</li> <li>• personalised and explicit instruction</li> <li>• adjustments to support health, personal care or safety such as assistance with mobility and personal hygiene</li> <li>• specialised equipment</li> <li>• support from specialist staff.</li> </ul>
Extensive adjustments	<p>Students with disability and very high support needs are provided with extensive targeted measures and sustained levels of intensive support. These adjustments are highly individualised, comprehensive and ongoing. Adjustments occur at all times and may include:</p> <ul style="list-style-type: none"> <li>• intensive, individualised instruction or support in a highly structured or specialised manner for all courses and curricula, activities and assessments</li> <li>• intensive, individualised instruction to support multiple areas of communication</li> <li>• planned, highly specialised and/or intensive health, personal care and/or safety support or intervention</li> <li>• enabling access to learning through: <ul style="list-style-type: none"> <li>– specialised equipment</li> <li>– highly modified classroom and/or school environments</li> <li>– extensive support from specialist staff.</li> </ul> </li> </ul>

Source: Audit Office summary of information from the Nationally Consistent Collection of Data on school students with disability.

# Appendix four – The Department’s principles of inclusive education

## Department of Education principles of inclusive education

Principle	Detail
Student agency and self-determination	<ul style="list-style-type: none"> <li>• Students have a voice and are supported to express their views. The capacity of students to solve problems, set goals, make decisions and self-advocate is valued and developed.</li> <li>• Students are involved in decisions that affect them.</li> <li>• Students will be supported to achieve the best learning and wellbeing outcomes possible with the most appropriate learning program that suits their needs.</li> <li>• Parents/guardians are engaged as partners in supporting student voice and participation.</li> <li>• We use feedback from students to drive continuous improvement in schools and across the system.</li> <li>• Teachers and school leaders develop individualised learning goals that set high aspirations for students, with ongoing review.</li> <li>• Students and their parents/guardians are supported to prepare for and navigate key transitions from starting school, transitioning from year six to seven, and transitioning to post-school life.</li> </ul>
Parent and guardian inclusion	<ul style="list-style-type: none"> <li>• Teachers and schools work in partnership with the student’s parents/guardians and support people to achieve the best outcomes for their child’s education.</li> <li>• Teachers and schools will use collaborative approaches to plan and achieve agreed and measurable outcomes for every student.</li> <li>• Teachers and schools will continue to seek the views of parents/guardians to determine the most appropriate education program for students to ensure it continues to achieve the best learning and wellbeing outcomes possible.</li> <li>• Teachers and schools will work in partnership with families and carers to prepare students for key transitions.</li> <li>• Families have access to information about the support that is available for their child.</li> <li>• Students and their families and carers receive effective communications and resources.</li> </ul>
Social and cultural inclusion	<ul style="list-style-type: none"> <li>• All students are welcomed and supported to build relationships with their peers.</li> <li>• The school community embraces all learners, has respect for, and values diversity.</li> <li>• Leaders in schools, and those supporting schools, model inclusion in all aspects of their work.</li> <li>• Students are supported to develop their social and emotional skills to create a positive school environment.</li> <li>• Learning environments are welcoming and accessible for students, families and the wider school community.</li> </ul>

Principle	Detail
Curriculum inclusion	<ul style="list-style-type: none"> <li>• Students with disability are supported to access the same curriculum and syllabus outcomes as their peers, in developmentally appropriate ways. Critical to this is student-centred education planning, reasonable adjustments and differentiated teaching, learning and assessment activities.</li> <li>• Teachers use evidence-based practices that address the diverse needs of students in their classes.</li> <li>• Teachers and school leaders work in partnership with a range of services to provide personalised support. This includes allied health workers, other government agencies, specialists and the community to meet the needs of students at school.</li> <li>• School staff use resources flexibly and adjust the use of resources to reflect changing student needs.</li> <li>• Teachers and school leaders monitor the progress of individual students against their learning goals, focus on strengths and address areas for improvement where needed.</li> </ul>
Workforce capability for inclusion	<ul style="list-style-type: none"> <li>• Students with disability have equitable access to quality teaching that meets individual needs, delivers excellent educational outcomes and empowers students and their families with agency and choice to improve their school experience.</li> <li>• Teachers, school staff, and school leaders are supported to strengthen inclusive practice and personalised planning to meet individual student needs. Support includes evidence-based resources, professional learning, mentoring and supervision.</li> <li>• Teachers are supported to provide adjustments and differentiate their teaching for the diversity of students in their class.</li> <li>• Teachers are supported to assess and monitor the progress of students with disability. We will develop the evidence of the effectiveness of available tools.</li> </ul>
System inclusion	<ul style="list-style-type: none"> <li>• Inclusion is embedded in all aspects of school life, and is supported by culture, policies and everyday practices in NSW public schools. Inclusive practice is evident in classrooms, schools, school leadership, and across all staff who support schools.</li> <li>• Leaders in schools and those supporting schools model inclusive practices in all aspects of their work.</li> <li>• Leaders are champions of change and actively promote inclusive practice.</li> <li>• We will continue to build the capability of all NSW public schools to meet the needs of their local students.</li> <li>• We support building the evidence base of what works to improve outcomes for students with disability.</li> <li>• We will adopt a whole school, whole system approach to measure progress to drive ongoing improvements in learning outcomes for students with disability.</li> <li>• We support students and their parents/guardians to prepare for and navigate key transitions from early childhood to starting school, transitioning from year six to seven, and transitioning to post-school life.</li> <li>• We use feedback from students, parents/guardians and school staff to drive continuous improvement in schools and across the system. We will incorporate best practice infrastructure design in how we build and modify our schools to ensure that learning environments promote inclusion.</li> </ul>

Source: Department of Education, Inclusive Education Statement.

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# Appendix five – Student behaviour management and restrictive practices

A broad range of stakeholders who contributed to this audit raised concerns about challenging behaviours of students with disability (and other students) at school; and about how families, schools and the Department respond. Concerns raised were not particular to one educational setting but related to student and school staff experiences in mainstream classrooms, support classes in mainstream schools and Schools for Specific Purposes.

For students and their families, challenging behaviours can be a sign that the student's needs are not being adequately met, and some reported that there had been inappropriate responses from teachers or schools to such behaviours including unwarranted suspensions. For school staff, challenging student behaviours can involve physical and/or psychological injury and so constitute a work health and safety issue.

The audit did not assess the Department's student behaviour management policy or guidelines, as this is planned to be the focus of a separate audit topic in the future.

This appendix summarises the relevant policies.

As well as the Inclusive Education Statement (see Appendix four), the Inclusive, Engaging, Respectful Schools framework incorporated student behaviour management policy and guidelines. These related to managing 'behaviour of concern' defined as challenging, complex or unsafe behaviour that requires more persistent and intensive interventions. A behaviour of concern does not include low-level, developmentally appropriate behaviour. The Inclusive, Engaging Respectful Schools package was discontinued as part of a government directive in 2023.

The student behaviour policy, implemented from term one, 2024 reaffirms a commitment to provide safe, inclusive learning environments for schools including those with complex learning and support needs. Schools are expected to develop behaviour support and management plans that prioritise continuity of learning and facilitate whole-school, prevention-focused and positive approaches to behaviour support, to meet the needs of all students. Where more intensive and persistent behaviour management interventions are necessary to address behaviour of concern, detention and time outs, formal cautions, suspension and expulsion may be used by schools in that sequence of escalation and with procedural fairness.

The policy expects that behaviour support and management interventions are implemented in line with the Australian Professional Standards for Teachers and the Disability Standards for Education. This means they must be fair, equitable, inclusive and proportionate, and take into consideration the diverse learning and wellbeing needs of students, including developmental age, trauma, child protection concerns, cultural considerations, disability and individual needs and circumstances.

Under these revisions, prior to any decision to suspend, principals must consider whether possible and appropriate alternative behaviour support management and intervention strategies have been implemented or attempted, including reasonable adjustments for students with disability.

The Inclusive, Engaging, Respectful Schools policy also incorporated a new restrictive practice framework. A restrictive practice is any action that has the effect of restricting the rights or freedom of movement of a person, with the primary purpose of protecting the person or others from harm. There are five categories of restrictive practice:

- chemical – such as medication prescribed by a doctor to influence a student’s movement or behaviour including their mood
- mechanical – such as a harness used to help a person to calm down or prevent them from engaging in voluntary arm movements that could injure themselves or others
- physical – such as the use of physical force to prevent, restrict or subdue movement of a student’s body, like physically intervening during an attempted injury of themselves or another person
- environmental – such as limiting a students’ access to parts of the school grounds
- seclusion – such as requiring a student to be in a separate room from their classmates for a time.

Schools may use restrictive practices to support students with disability to access and engage in their learning, and to make school safer for the student and others, when this is recommended or prescribed by doctors or specialist allied health professionals and a plan is agreed in advance, or it is an emergency or crisis.

The NSW Government has committed to a national goal to reduce and eliminate the unnecessary or inappropriate use of restrictive practices wherever possible. In response to the national NDIS Review and Disability Royal Commission, the Disability Reform Ministerial Council (comprising representatives from the Australian Government and state and territory governments) intends to prioritise action to establish consistent targets and performance indicators to drive the reduction and elimination of restrictive practices.

The Department developed a new policy framework for the use of restrictive practices in line with these objectives. It had initially planned to release the new policy framework in term one 2022, for implementation in schools from term two, 2022. In April 2023, the Deputy Premier announced that this was delayed until term one 2025 to allow an extended period of school familiarisation with the new policy framework, for the Department to consider relevant recommendations made by the Disability Royal Commission and align with the timeframe for development of a national framework for restrictive practices.

While the new policy framework is not yet operational, there is the expectation that schools will still:

- ensure that prohibited practices already not allowed under existing policy and legislative obligations are not used
- act in line with duty of care to keep students and staff safe
- undertake planning to meet the individual health, safety and wellbeing needs of students, and consult with parents/guardians wherever possible
- follow existing health care procedures when planning to use prescribed medications during school hours
- follow existing departmental policies when responding to incidents that impact the health, safety and/or wellbeing of students and staff.

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# Appendix six – Relevant funding for NSW public schools

The Department allocates specific funding to all NSW public schools for supporting students with disability. In the audit review period (2018–2023), relevant resourcing comprised three types of support (together referred to as the ‘resource allocation model’ or RAM):

- **Universal** through base school allocations. Base school allocations fund the core cost of educating students and operating schools, including staffing and school operational funding. This funding is driven by enrolled student numbers and class sizes. Generally, schools are funded at a level of 1.084 full time equivalent hours in teaching staff per class at primary schools and Schools for Specific Purposes, and 1.4 full time equivalent hours per class at secondary schools.
- **Equity loadings** provided on top of the base school allocation to support additional student need including socio-economic disadvantage, low English language proficiency, Aboriginal status and disability.
  - The ‘low level adjustment for disability’ loading is an allocation of some staffing time and some flexible funding to all mainstream schools to support students with disability, regardless of diagnoses.
  - Schools for Specific Purposes do not receive the low level adjustment for disability loading, but receive other equity loadings.
- **Targeted supports** – in relation to students with disability, this includes funding and supports sought by application by schools for students who have a formal diagnosis and are eligible for:
  - Integration funding support to assist students who are enrolled in a mainstream class and have moderate to high support needs
  - placement in support classes in mainstream schools or in Schools for Specific Purposes
  - itinerant sensory support (visiting teachers specialising in hearing or vision supporting students who are d/Deaf or hard of hearing and/or are blind or have low vision)
  - distance education delivery and/or
  - early intervention at preschool in the year before starting kindergarten.

These three types of funding support are not required to be used by schools on physical adjustments necessary to accommodate a student with disability in a school. Instead, School Infrastructure NSW in the Department makes modifications to school assets that are needed for a student with disability to attend school (see section 3.2).

The total amount of RAM funding allocated to each public school each year is published by the Department.

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# Appendix seven – The Department's disability criteria (2003)

The Department advises that the following criteria will be replaced with updated criteria from term four, 2024.

## **Language**

Students must have an assessed receptive or expressive language disorder which is documented within a current speech pathologist's report (in general, the report should be less than 12 months old). The report must include the results of at least one relevant standardised language test that allows for the reporting of both receptive and expressive language skills. At least one of the scales (either receptive or expressive) must indicate a standard score of 70 (second per centile) or less. The report must indicate that the disorder significantly affects communication and diminishes the capacity to achieve academically. There must also be documented evidence of the development and delivery of an intensive learning program assisted by a support teacher, or relevant specialist in the prior-to-school setting in the case of a student entering kindergarten. Difficulties in communication and academic achievement must be the direct result of the disorder.

## **Physical Disability**

The student must have a current physical condition involving the motor system that significantly limits the student's level of functioning and independence in mobility, personal care, and/or ability to physically undertake essential learning tasks. A report is required from a specialist medical practitioner, which details the nature of the condition. The educational impact of the condition must not be due to absences from school.

To meet the criteria for severe physical disability there must also be evidence that the student is highly dependent on others for mobility and personal care and requires an augmentative or alternative communication system or constant supervision to avert harm.

## **Intellectual Disability**

To meet criteria for mild intellectual disability, students must have a full-scale IQ score of approximately two to three standard deviations below the mean on an approved individual test of intelligence. There must be information on the assessment of adaptive skills and school performance (where applicable) consistent with, or below this range of scores.

To meet criteria for moderate intellectual disability, students must have a full-scale IQ score of approximately three to four standard deviations below the mean on an approved individual test of intelligence. There must be information on the assessment of adaptive skills and school performance (where applicable) consistent with, or below this range of scores.

To meet criteria for severe intellectual disability students must have a full-scale IQ score of approximately four standard deviations or more below the mean on an approved individual test of intelligence. There must be information on the assessment of adaptive skills and school performance (where applicable) consistent with, or below this range of scores.

## **Hearing Impairment**

Students must have a current audiogram and report from Australian Hearing which indicates a sensorineural or permanent conductive hearing loss of 30 decibels or more in both ears. A report is required from the AP/ET Hearing which outlines an assessment of the student's communication and auditory skills, and describes the educational impact of the student's hearing impairment.

## **Vision Impairment**

Students must have a current diagnosed vision impairment, which details a permanent vision loss that is 6/24 or less in the better eye corrected, or less than 20 degrees field of vision. A report is required from the AP/ET Vision which indicates that the student requires additional support to access the curriculum in alternative formats or with significant modification of materials. There must also be information on the student's ability to access the physical environment and daily living, orientation, mobility and social skills.

## **Deaf/Blind**

Students must have a vision and hearing impairment, both at levels that severely impact on their ability to learn, and which result in unique educational needs. In particular, these students will require an alternative means of communication (generally a tactile system) and/or highly specialised technology to facilitate their communication.

There must also be evidence that the combined impact of the dual sensory impairment requires an intensive educational provision beyond that provided for students solely with hearing or vision impairment, or severe intellectual disability.

Identification of a student as deafblind, for the purpose of specialist provision of educational services, will be undertaken by a team comprising a Co-ordinator Student Counselling and Welfare and a Co-ordinator Special Education, a senior officer from State office with expertise in the area of sensory impairment, and a staff member from Seven Hills School, for Sensory Education (nominated by the principal).

## **Mental Health Problems**

Students must exhibit behaviour(s) that is characteristic of mental health problems at a level of frequency, duration and intensity that seriously affects their educational functioning and emotional well-being. The behaviour(s) must be evident in the home, school and community environments. Students must have a current report from a specialist medical practitioner or registered psychologist with appropriate clinical experience which details the nature of the behaviour(s). There must also be documented evidence of ongoing individual intervention by a mental health practitioner or school counsellor. The school must also provide documentation and evaluation of strategies used to address the student's needs within the school setting.

## **Autism**

Students with autism must have a current report from a specialist medical practitioner or registered psychologist with appropriate clinical experience. The report must detail the nature of the student's disorder. Documented evidence must indicate a developmental disability affecting verbal and non-verbal communication and social interaction, that significantly affects the child's ability to learn. There must be information of a functional assessment consistent with the student's disorder.

## **General Notes**

Where there is evidence that a student has a significant disorder or malfunction that is not adequately described by one or more of the above criteria and the condition is impacting greatly on educational outcomes, the Coordinator Student Counselling and Welfare together with the Coordinator Special Education will consider all available documentation and make a determination on a case by case basis.

When considering support class placement for students with more than one disability, it is important to ensure that the disability having the most significant impact on educational outcomes is addressed and any other disability supported in an appropriate manner.

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# Appendix eight – About the audit

## Audit objective

To assess whether the Department of Education is effectively supporting students with disability in NSW public schools.

## Audit criteria

We addressed the audit objective by assessing whether:

1. The Department designed and delivered approaches that effectively support students with disability
2. The Department is addressing the needs of students with disability.

## Audit scope and focus

In assessing the audit criteria, we examined the following aspects:

- a) The Disability Strategy and other relevant measures reflect relevant research and evidence, lessons from previous reviews and evaluations, and align with relevant legislative requirements.
- b) Delivery is effective with:
  - i) appropriate governance to provide authority and levers to coordinate action and drive achievement of the objectives
  - ii) adequate resourcing to achieve equitable outcomes for students across the public school system
  - iii) mechanisms to identify and address risks to Strategy delivery, including divergence in practice
  - iv) flexibility to adapt approaches where required
  - v) achievement of expected outcomes.
- c) Relevant outputs and outcomes are defined and measured in a meaningful way, routinely monitored, and inform practice.
- d) There is ongoing consultation with people with lived experience, advocates, and other relevant stakeholders, and regular public reporting on progress and outcomes in supporting students with disability.
- e) The Department accounts for intersectionality and compounding factors of disadvantage when designing, implementing and evaluating initiatives to support students with disability
- f) Students with disability can access relevant supports to meet their learning and wellbeing needs
- g) There is evidence to indicate that the Department's strategy and other relevant measures are improving the provision of inclusive education in schools, and learning and wellbeing outcomes for students with disability, across the public system.

This audit focused on students with disabilities in NSW public schools. The timeframe examines activities from 2018 to 2023. The audit looked at the policies and practices at, or those focused on delivery in, NSW public schools including mainstream schools and specialist settings such as Schools for Specific Purposes, NSW public schools in all locations including schools in regional, rural and remote NSW, and pathways between school settings in the public education system.

## Audit exclusions

The audit did not assess:

- Policies and practices at:
  - Catholic and other non-government schools
  - Early childhood education and outside of school hours (OOSH) care services
  - Vocational education and training services
- The National Disability Insurance Scheme (NDIS) including the provision of supports during school hours.
- Student behaviour management policies and practices.
- The merits of government policy objectives.
- The merits of Commonwealth definitions of disability and the Nationally Consistent Collection of Data (NCCD).

## Audit approach

Our procedures included:

1. Interviewing approximately:
  - 115 Department of Education staff in policy, corporate, data and delivery support roles
  - 155 school staff including principals, executive teachers, learning and support teachers, classroom teachers, school counsellors/psychologists, and school learning support officers
  - 30 external stakeholder group representatives including disability sector representatives, disability advocates, peak bodies and academics.
2. Linking and analysing 15 statewide datasets relating to students and teachers including enrolment, attendance, disability adjustments (NCCD data), suspensions, expulsions, NAPLAN, HSC, professional learning, and survey results, for each year of the audit review period (2018-2023).
3. Examining approximately 7,000 documents, including policies, strategies, data reports, plans, guidelines, management reports, executive briefs, initiative reviews and evaluations.
4. Considering the 109 contributions made to the public audit mailbox.
5. Visiting 14 schools in different parts of the state. We used a judgemental sampling approach to select schools based on the following criteria:
  - location (a mix of metropolitan Sydney, inner regional and outer regional NSW schools)
  - educational setting (at least one of each of primary, secondary, central mainstream schools with and without support classes; and Schools for Specific Purposes)
  - demographic and other characteristics of the school community (including schools with different socio-economic advantage indices, schools with high and low proportions of culturally and linguistically diverse students, schools with high and low proportions of Aboriginal students, co-educational and same-sex schools etc).

The audit approach was complemented by quality assurance processes within the Audit Office to ensure compliance with professional standards.

## Audit methodology

Our performance audit methodology is designed to satisfy Australian Auditing Standard ASAE 3500 Performance Engagements and other professional standards. The standards require the audit team to comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance and draw a conclusion on the audit objective. Our processes have also been designed to comply with requirements specified in the *Government Sector Audit Act 1983* and the *Local Government Act 1993*.

## **Acknowledgements**

We gratefully acknowledge the co-operation and assistance provided by the Department of Education. In particular, we would like to thank our liaison officers and other departmental staff, and schools who hosted our visits, participated in interviews and provided evidence for the audit.

We also appreciate the considered feedback provided by the Disability Strategy Reference Group, public contributors to the audit mailbox, and other disability sector representatives, advocates, peak bodies and academics.

## **Audit cost**

The estimated cost of this audit is \$700,000.

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# Appendix nine – Performance auditing

## What are performance audits?

Performance audits assess whether the activities of State or local government entities are being carried out effectively, economically, efficiently and in compliance with relevant laws.

The activities examined by a performance audit may include a government program, all or part of an audited entity, or more than one entity. They can also consider particular issues which affect the whole public sector and/or the whole local government sector. They cannot question the merits of government policy objectives.

The Auditor-General's mandate to undertake audits is set out in the *Government Sector Audit Act 1983* for state government entities, and in the *Local Government Act 1993* for local government entities. This mandate includes audit of non-government sector entities where these entities have received money or other resources, (whether directly or indirectly) from or on behalf of a government entity for a particular purpose (follow-the-dollar).

## Why do we conduct performance audits?

Performance audits provide independent assurance to the NSW Parliament and the public.

Through their recommendations, performance audits seek to improve the value for money the community receives from government services.

Performance audits are selected at the discretion of the Auditor-General who seeks input from parliamentarians, State and local government entities, other interested stakeholders and Audit Office research.

## How are performance audits selected?

When selecting and scoping topics, we aim to choose topics that reflect the interests of parliament in holding the government to account. Performance audits are selected at the discretion of the Auditor-General based on our own research, suggestions from the public, and consultation with parliamentarians, agency heads and key government stakeholders. Our three-year performance audit program is published on the website and is reviewed annually to ensure it continues to address significant issues of interest to parliament, aligns with government priorities, and reflects contemporary thinking on public sector management. Our program is sufficiently flexible to allow us to respond readily to any emerging issues.

## What happens during the phases of a performance audit?

Performance audits have three key phases: planning, fieldwork and report writing.

During the planning phase, the audit team develops an understanding of the audit topic and responsible entities and defines the objective and scope of the audit.

The planning phase also identifies the audit criteria. These are standards of performance against which the audited entity, program or activities are assessed. Criteria may be based on relevant legislation, internal policies and procedures, industry standards, best practice, government targets, benchmarks or published guidelines.

During the fieldwork phase, audit teams will require access to books, records, or any documentation that are deemed necessary in the conduct of the audit, including confidential information which is either Cabinet information within the meaning of the *Government Information (Public Access) Act 2009*, or information that could be subject to a claim of privilege by the State or a public official in a court of law. Confidential information will not be disclosed, unless authorised by the Auditor-General.

At the completion of fieldwork, the audit team meets with management representatives to discuss all significant matters arising out of the audit. Following this, a draft performance audit report is prepared.

The audit team then meets with management representatives to check that facts presented in the draft report are accurate and to seek input in developing practical recommendations on areas of improvement.

A final report is then provided to the accountable authority of the audited entity(ies) who will be invited to formally respond to the report. If the audit includes a follow-the-dollar component, the final report will also be provided to the governing body of the relevant entity. The report presented to the NSW Parliament includes any response from the accountable authority of the audited entity. The relevant Minister and the Treasurer are also provided with a copy of the final report for State Government entities. For local government entities, the Secretary of the Department of Planning and Environment, the Minister for Local Government and other responsible Ministers will also be provided with a copy of the report. In performance audits that involve multiple entities, there may be responses from more than one audited entity or from a nominated coordinating entity.

## **Who checks to see if recommendations have been implemented?**

After the report is presented to the NSW Parliament, it is usual for the entity's Audit and Risk Committee / Audit Risk and Improvement Committee to monitor progress with the implementation of recommendations.

In addition, it is the practice of NSW Parliament's Public Accounts Committee to conduct reviews or hold inquiries into matters raised in performance audit reports. The reviews and inquiries are usually held 12 months after the report received by the NSW Parliament. These reports are available on the NSW Parliament website.

## **Who audits the auditors?**

Our performance audits are subject to internal and external quality reviews against relevant Australian standards.

The Public Accounts Committee appoints an independent reviewer to report on compliance with auditing practices and standards every four years. The reviewer's report is presented to the NSW Parliament and available on its website.

Periodic peer reviews by other Audit Offices test our activities against relevant standards and better practice.

Each audit is subject to internal review prior to its release.

## **Who pays for performance audits?**

No fee is charged to entities for performance audits. Our performance audit services are funded by the NSW Parliament.

## **Further information and copies of reports**

For further information, including copies of performance audit reports and a list of audits currently in-progress, please see our website [www.audit.nsw.gov.au](http://www.audit.nsw.gov.au) or contact us on 02 9275 7100.

## OUR VISION

Our insights inform and challenge government to improve outcomes for citizens.

## OUR PURPOSE

To help Parliament hold government accountable for its use of public resources.

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Valuing people  
Contagious integrity  
Courage (even when it's uncomfortable)

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