

LEVIES AND CHARGES UPDATE

AUGUST 2020

Dear Minister,

I am pleased to provide you with an update on the Department of Education's progress towards the implementation of the thirteen recommendations made in the School Levies and Charges Review. The Review was undertaken as part of your Government's commitment to inclusive, affordable and equitable access to education.

For the 2020 school year, school levies were refunded or waived as part of the Tasmanian Government's response to the economic impact of COVID-19. As we begin to recover from this extraordinary disruption to our society and economy, our work to implement the recommendations of the Review preserves this cost of living benefit for many Tasmanian families, while providing more accessible educational opportunities to all learners.

Thirteen recommendations came out of the Review. These recommendations respond to the feedback of schools, families and students. The consultation undertaken throughout the Review had a strong emphasis on listening to the voices of students, on what they want and need to get the most benefit from their education, along with a focus on ensuring that all learners can pursue subjects and opportunities without cost as a barrier to their learning.

The Department of Education has undertaken significant work with schools to better understand and plan for implementation of the recommendations, particularly those with significant budget implications, namely expansion of the Student Assistance Scheme and implementing all-inclusive levies.

The implementation of these recommendations is well underway, with many of them now implemented within schools. The changes made as a result of these recommendations have direct benefits for families and students, including:

- Expanding access to the Student Assistance Scheme from 2021, to provide assistance for lower-income families towards the cost of levies.
- Implementing an all-inclusive levy to ensure that all students in the same year level at the same school will have a single levy regardless of the subjects that they choose. This will also increase both the predictability and transparency of education costs for families.
- Minimising extra costs which can place pressure on families, particularly at the beginning of the school year.
- Maximising opportunities for students in Tasmanian government schools.
- Strengthening consistency of levies and charges practices across the system.
- Minimising costs for families, focussing on those families with greatest need.

These supports go to the heart of our commitment to provide learning opportunities that inspire and support **all** learners to succeed as connected, resilient, creative and curious thinkers, and will provide further assistance to Tasmanian communities as we recover and rebuild from the impacts of COVID-19.

Tim Bullard

Secretary Department of Education

Introduction

During 2018 a review of school levies and charges was undertaken (the Review). The Review included consultation with a range of stakeholders including principals and school business managers, school social workers,

students and families. This consultation process was in line with the Tasmanian Government's commitment in its *First Year Agenda* to "consult with stakeholders on a review of school levies [which] will ensure fairness and equity across the State in the allocation of levies."

The purpose of the Review was to strengthen consistency of levies and charges practices across Department of Education (DoE) schools, with a specific emphasis on supporting student engagement in the full curriculum. This focus is in line with Access, Participation and Engagement goal in the *2018-2021 DoE Strategic Plan - Learners First: Every Learner, Every Day*.

The principle that guided the Review is that **"all students should be able to choose their subjects based on their needs, interests and aspirations for work and life, rather than the cost of the course and regardless of location."** Some schools have historically applied variable per-subject costs in addition to the levy. The principle of the Review recognises the importance of ensuring that these per-subject costs do not act as a barrier to participation for any student.

The Review also looked at how costs can be minimised for families, with a specific emphasis on minimising costs for families on lower incomes. Students and families spoke highly of the Student Assistance Scheme (STAS) during consultation, and the expansion of this scheme means that even more families on low incomes will not need to pay levies in the future. This important change is in line with the commitment to "inclusive, affordable and equitable access to education" outlined in the Tasmanian Government's Second Year Agenda. This is of particular importance in the Tasmanian context, in terms of the State's relative disadvantage and rising costs of living.

Implementation of the thirteen recommendations of the Review commenced in the second half of 2019. This is in line with the commitment made in the Government's Second Year Agenda to commence implementation of the recommendations by the end of March 2020.

A number of secondary schools that previously had variable per-subject costs in addition to the levy are moving to an all-inclusive levy, or have already done so. This means that students are able to select subjects based on their needs, interests and aspirations for work and life without being influenced by additional course costs. Having an all-inclusive levy also makes costs more predictable and transparent for families, as all required costs are included in the levy.

Families at all Tasmanian Government schools now have the option to pay their levies in instalments, with all schools required to offer payment plans that continue throughout the school year.

Legislation and policy

In 2017, a revised *School Levies and Charges Policy* was released. This was released as an interim policy, informed by changes to the *Education Act 2016* (Tas.) (the Act). This policy introduced a requirement for schools to have their own school policy relating to levies and charges.

Under the Act, levies may be imposed "in respect of incidental costs and expenses incurred in respect of providing educational instruction" and charges may be imposed for "activities which are in addition to the normal educational instruction at that State school." The Act also sets out that when developing the school's policy for levies and charges, the principal is to "consult with the school association for the school." In accordance with *Secretary's Instruction No 9 for School Levies and Charges*, principals must:

- ensure that students are not prevented from participating in activities due to the non-payment of levies,
- set levies at the minimum amount possible,
- develop a policy for their school in accordance with the Secretary's Instruction that includes flexible payment options and the opportunity for parents to negotiate payment arrangements, and
- ensure that their school does not directly utilise debt collection services.

The Secretary's Instruction also directs principals to "consider community expectations, family financial constraints and inclusive education when determining the cost of school items and activities."

What is the difference between a levy and a charge?

Levies can include costs for items and services that are required as part of the curriculum, and contribute to:

- Essential items that are part of the curriculum (e.g. stationery, textbooks, cooking ingredients, gardening supplies), and
- Services like excursions, performances and activities that are part of the curriculum (e.g. out of school excursions, in-school performances, guest speakers, camps).

Charges are for items or services that are optional and may be applied for:

- Optional activities (e.g. optional interstate or overseas trips, or a school band program not linked to the delivery of the curriculum),
- Optional items (e.g. yearbook, school photos), or
- More expensive items/materials than the standard materials provided (e.g. hardwood instead of pine in woodwork).

How have levy amounts been historically determined?

Feedback from consultation with principals and school business managers indicates that levy amounts are set in a range of ways, including:

- Calculating the approximate cost of essential items and services (e.g. stationary and excursions)
- Historical precedent
- Consultation with neighbouring schools to support consistency
- Consultation with School Association Committees (required under the Act).

College levies are different to levies at all other schools in our system. Colleges have a consistent, agreed-upon base-levy plus additional variable per-subject costs.

Consultation

Initial consultation for the Review took place in 2018. This approach to consultation met the Tasmanian Government's commitment in its *First Year Agenda* to "consult with stakeholders on a review of school levies" during 2018. There was a deliberate emphasis on consultation with students, in recognition that students may make decisions on which subjects they select based on cost without mentioning this to their families. This consultation was conducted following approval of a Research Application by the Departmental Consultative Research Committee.

Feedback from families was sought through consultation with the Tasmanian Association of State School Organisations (TASSO), the Tasmanian Council of Social Service (TasCOSS) and School Association Committee meetings. All principals and school business managers were provided with the opportunity to provide feedback. School social workers and staff who respond to queries from families on STAS and other financial assistance schemes (e.g. School Uniform Exceptional Assistance Scheme) were also contacted for feedback, with a specific emphasis on supporting families on low-incomes and families experiencing financial hardship with levies and charges. Figure 1 provides a summary of the initial consultation undertaken in 2018.

KEY CONSULTATION FINDINGS

Support for the principle of the Review

There has been unanimous support for the principle of the review throughout consultation. School principals, school business managers and school social workers were highly supportive of the principle of the review, and articulated a range of practices used in their school aimed at supporting students' access to, and participation in, the full range of learning opportunities offered at the school. Schools with variable

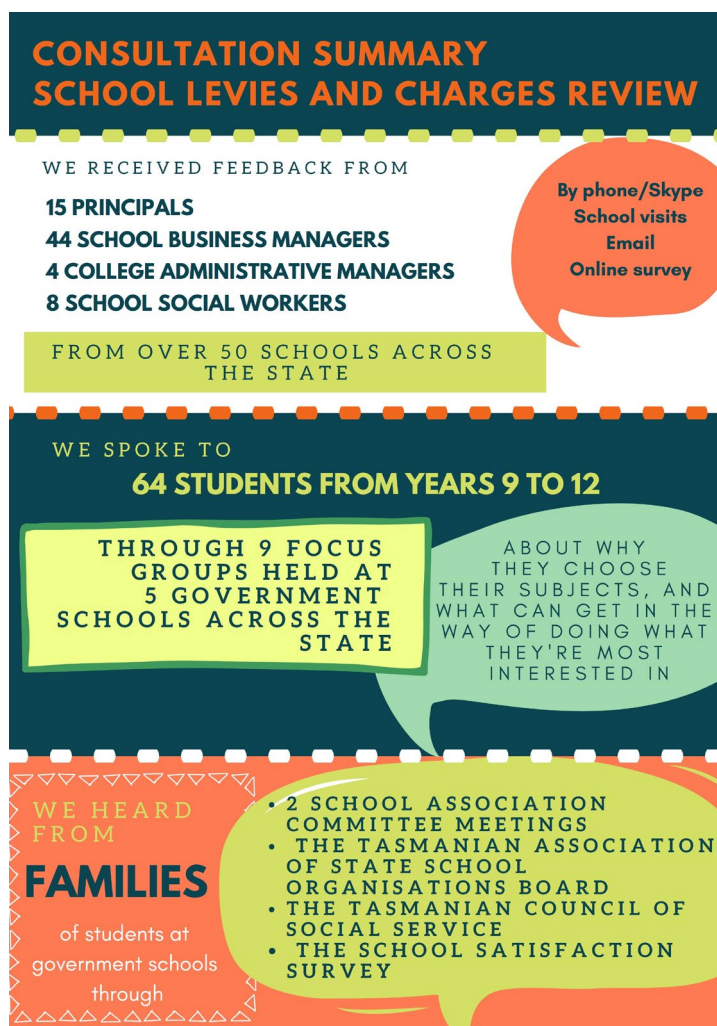


Figure 1

additional costs for some subjects were also supportive of the principle of the Review, and also indicated that there would be financial and administrative impacts that would need to be worked through to implement an all-inclusive levy that includes per-subject costs.

Opportunities to strengthen consistency of school levy and charge practices

The Review found that Tasmanian government schools use a range of positive practices to respond to the needs and expectations of families in their school community. Schools reported proactive reaching out to families experiencing financial hardship, and a strong emphasis on supporting participation of all students in the full range of educational activities offered at the school, including optional activities. The Review identified opportunities to strengthen consistency of practice across DoE schools, including offering payment plans that continue throughout the school year as a standard option for all families, and minimising ad hoc charges requested throughout the school year.

During consultation, students indicated that variable additional per-subject costs can act as a barrier to participation in certain subjects, and can be a source of financial stress for their families. The Review identified an opportunity to remove this cost barrier by strengthening consistency of practice in the application of an all-inclusive levy that includes per-subject costs.

ONGOING CONSULTATION AND ENGAGEMENT

Since the formal Review consultation process ended, there has been ongoing consultation and engagement through 2019 and 2020 with schools, including colleges, to plan for and implement the Review recommendations.

Status of Review Recommendations

Implementation of eight of the thirteen Review recommendations is complete. Planning for implementation of the remaining recommendations has commenced and will continue through 2021 to ensure that schools and colleges are well supported. In particular further work is being undertaken on a supportive approach to implementing an all-inclusive levy in our colleges and Extension Schools offering Year 11-12.

This section provides an update on the progress towards implementing each recommendation, including work currently occurring and next steps.

FINDINGS AND RECOMMENDATIONS	STATUS
<p>RECOMMENDATION ONE</p> <p>Finding: The Review found that variable per-subject costs applied in addition to the levy can be a barrier to student participation in certain subjects.</p> <p>Recommendation: That the <i>School Levies and Charges Policy</i> be revised to strengthen consistency in the implementation of an all-inclusive levy. The all-inclusive levy would include all costs (including stationary, textbooks and equipment) required for a student to complete their timetabled courses, with no additional costs to be applied later in the school year, except for optional activities or items. It is recommended that potential funding options to support this change (e.g. a modest increase in the levy</p>	<p>IN PROGRESS</p> <p>K-10 schools will have completed the transition to an all-inclusive levy for the 2021 school year, with a number of schools with additional per-subject costs having chosen to adopt an all-inclusive levy in 2020 in recognition of the importance of ensuring that per-subject costs do not act as a barrier to participation for any student.</p> <p>Colleges and Extension Schools offering Year 11-12 will complete this transition for the 2022 school year, to allow time for additional support for more complex transition requirements.</p> <p>Work is ongoing to develop digital resources to support teaching and learning in Years 11-12 for</p>

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<p>and/or centralised transitional funding support) are investigated upon approval of this recommendation.</p>	<p>teachers to use, with a number of courses already available on the Department's digital platform CANVAS.</p>
<p>RECOMMENDATION TWO</p> <p>Finding: The Review found that there may be opportunities to reduce the cost to schools of purchasing stationery, textbooks and equipment through centralised bulk purchase. This may support schools to minimise levy amounts.</p> <p>Recommendation: That DoE explore centralised options for purchase of stationery, textbooks and equipment.</p>	<p>WORKING TOWARDS</p> <p>Options for the centralised purchase of stationery, textbooks and equipment will be considered in 2021.</p>
<p>RECOMMENDATION THREE</p> <p>Finding: The Review found that schools would benefit from more detail on what can be included in a levy and what can be applied as a charge to support greater consistency of practice. The Review also found that the definition of 'normal educational instruction' within Secretary's Instruction No 9 could be tightened to support greater consistency of practice in terms of including per-subject costs in the levy. This recommendation supports implementation of Recommendation One by providing detail for schools on what can be included in a levy and what can be applied as a charge.</p> <p>Recommendation: That the <i>School Levies and Charges Policy</i> include more detail to guide and support consistency of practice by schools in determining what costs can be included in a levy and what costs can be applied as a charge. To support this, it is also recommended that the definition of 'normal educational instruction' in <i>Secretary's Instruction No 9 for School Levies and Charges</i> is revised.</p>	<p>COMPLETE</p> <p>The 2019 <i>School Levies and Charges Policy</i> and <i>School Levies and Charges Procedure</i> contained additional information on what costs can be included in a levy and what costs can be applied as a charge.</p> <p>The 2020 <i>School Levies and Charges Procedure</i> to be released in September further clarifies this distinction, to ensure consistency in the practices of schools.</p> <p>The definition of normal educational instruction in <i>Secretary's Instruction No 9 for School Levies and Charges</i> has been revised.</p>
<p>RECOMMENDATION FOUR</p> <p>Finding: Feedback from consultation with principals, school business managers, school social workers, TasCOSS and TASSO indicated that levies can be a source of financial stress for families on low incomes who are not eligible for STAS. In their submission for the Review, TasCOSS recommended aligning STAS</p>	<p>IN PROGRESS</p> <p>STAS eligibility will be aligned with HCC eligibility from the 2021 school year.</p> <p>Preliminary DoE modelling indicates an additional 9,000 students will benefit from the expansion of STAS (noting this modelling does not take into account the impact of the COVID-19 pandemic).</p>

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<p>eligibility with Centrelink HCC eligibility to ensure that levies are waived for families on low incomes. This would also bring STAS eligibility into line with other government concessions.</p> <p>Recommendation: That STAS eligibility be aligned with Centrelink Health Care Card (HCC) eligibility.</p>	<p>Work will be undertaken with schools in 2020 and 2021 to support the implementation of changes to STAS.</p>
<p>RECOMMENDATION FIVE</p> <p>Finding: The Review found considerable evidence of outstanding practice by schools in working with families experiencing financial difficulty or hardship. There is an opportunity to reflect this outstanding practice in the School Levies and Charges Policy, to support schools to work with families experiencing financial difficulty or hardship.</p> <p>Recommendation: That the <i>School Levies and Charges Policy</i> include more detail to guide and support schools when working with families experiencing financial difficulty or hardship, including guidance to strengthen confidentiality of the STAS status of students and families.</p>	<p>COMPLETE</p> <p>The 2019 <i>School Levies and Charges Procedure</i> included guidance on practices by schools in working with families experiencing financial difficulty or hardship. Further examples of outstanding practice will be released in updated documentation in September 2020. These practices will continue to further support the implementation of the changes to STAS.</p>
<p>RECOMMENDATION SIX</p> <p>Finding: The Review found that ad hoc charges applied throughout the school year can place financial stress on families, particularly families on low incomes with multiple school aged children. It was also found that families would prefer that these ad hoc charges are minimised, and that sufficient notice is given to support them to budget accordingly.</p> <p>Recommendation: That the <i>School Levies and Charges Policy</i> include guidance to support schools to minimise, and increase transparency of, ad hoc charges applied throughout the year.</p>	<p>COMPLETE</p> <p>The 2019 <i>School Levies and Charges Procedure</i> provided clear guidance to schools that they are required to minimise ad hoc charges throughout the school year, and provide families with sufficient notice to budget for these charges.</p>
<p>RECOMMENDATION SEVEN</p> <p>Finding: The Review found a number of opportunities to strengthen school communication to families regarding levies and charges in terms of transparency of what is included in the levy and payment dates for charges.</p> <p>Recommendation: That the <i>School Levies and</i></p>	<p>COMPLETE</p> <p>Template communications have been provided to all schools to ensure transparency in their communication to families of what needs to be paid by when, what is included in the levy, and the entitlement to access payment plans continuing throughout the school year.</p>

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<p><i>Charges Policy</i> includes increased guidance to support transparency in school communication about levies and charges. This includes transparency of what is included and what needs to be paid by when. To support transparency and consistency across the system it is recommended that standardised DoE templates for communication about levies be produced and released with the revised Policy.</p>	
<p>RECOMMENDATION EIGHT</p> <p>Finding: The Review found that the beginning of the school year could be a costly time for families, as this is when the purchase of uniform, school shoes and other items was required. Feedback from families indicated that payment plans work well in minimising the costs for families at the beginning of the school year. Feedback from families also indicated that levy payment plans that must be paid before the end of Term Two had the potential to cause financial stress for families. School business managers reported positive feedback from families on the use of payment plans for levies that continued throughout the school year. This approach means that each instalment can be set at the minimum amount possible, and that costs for families at the beginning of the school year are also kept to a minimum.</p> <p>Recommendation: That the <i>School Levies and Charges Policy</i> includes a requirement that all schools offer payment plans as a standard option for payment of levies and charges, with all families to be offered payment plan options that continue throughout the school year.</p>	<p>COMPLETE</p> <p>The 2019 <i>School Levies and Charges Policy, Procedure</i>, and the template communications that have been provided to schools for their communication with families specify that payment plans continuing throughout the school year are available to all families.</p>
<p>RECOMMENDATION NINE</p> <p>Finding: Under the Act, when developing their school's policy for levies and charges, principals are required to consult with the School Association. The Review found that School Association Committees would benefit from guidance to support wide and inclusive consultation processes on the <i>School Levies and Charges Policy</i> for their school.</p> <p>Recommendation: That a supporting document be produced that provides guidance for School Association Committees to support wide and inclusive</p>	<p>COMPLETE</p> <p>Guidance to support School Association Committees to undertake wide and inclusive consultation is included in the 2019 <i>School Levies and Charges Procedure</i> and a standalone factsheet for School Association Committees.</p> <p>This guidance was developed in consultation with TASSO, the peak body that provides support to School Associations.</p>

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<p>processes in their consultation on the <i>School Levies and Charges Policy</i> for their school.</p>	
<p>RECOMMENDATION TEN</p> <p>Finding: The Review found that some families felt more comfortable disclosing circumstances regarding family financial hardship to Departmental staff external to the school, particularly in schools located within small communities. An opportunity was identified to provide an avenue for this to occur, by updating the STAS Guidelines to allow applications for STAS based on financial hardship to be submitted directly to the Financial Services unit and processed centrally.</p> <p>Recommendation: That the STAS Guidelines be revised to allow applications for STAS based on financial hardship to be processed centrally within our Financial Services unit.</p>	<p>IN PROGRESS</p> <p>The expansion of STAS will capture a significant portion of families who may have previously wished to raise financial hardship matters with the school. In addition to that, the STAS Guidelines for 2021 emphasise that confidential discussions can occur with DoE through the existing public STAS number which is managed by Financial Services.</p>
<p>RECOMMENDATION ELEVEN</p> <p>Finding: The Review found that the <i>School Levies and Charges Policy</i> did not contain explicit guidance around the follow-up of outstanding levies from previous years when families had since become eligible for STAS or were experiencing financial difficulty.</p> <p>Recommendation: That the <i>School Levies and Charges Policy</i> directs schools not to seek payment from families experiencing financial hardship or who later become supported through STAS for levies outstanding from previous years.</p>	<p>COMPLETE</p> <p>The 2019 <i>School Levies and Charges Procedure</i> required schools not seek payment of outstanding levies from previous years where a family is now supported through STAS or is experiencing financial hardship.</p> <p>As part of the Tasmanian Government's response to the economic impact of COVID-19, debts relating to historical unpaid levies and charges were waived.</p>
<p>RECOMMENDATION TWELVE</p> <p>Finding: The Review found that, in some instances families had elected to pay a high cost charge (e.g. for participation in an overseas trip) but had not paid their levy. Feedback from stakeholders indicated that greater fairness and equity in these instances could be supported by allowing schools to require pro-rata payment of the levy before accepting payment of high cost charges.</p> <p>Recommendation: That the <i>School Levies and Charges Policy</i> allows schools to require partial payment of levies before accepting payment for high-</p>	<p>COMPLETE</p> <p>The 2019 <i>School Levies and Charges Procedure</i> permitted schools to require pro-rata payment of the levy before accepting payment of a high-cost charge for an optional activity.</p>

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<p>cost optional activities (e.g. overseas or interstate trips with charges over \$1,000).</p>	
<p>RECOMMENDATION THIRTEEN</p> <p>Finding: The Review found that there was a perception by many schools that levy payment rates were declining over time. There is not currently a system or process in place for annual collection of data on levy payment rates for each school.</p> <p>Recommendation: That data on annual levy payment rates for each school be calculated and stored annually to track the percentage of unpaid levies year by year.</p>	<p>WORKING TOWARDS</p> <p>Enhanced data collection will be developed once recommendations relating to STAS and all-inclusive levies are fully implemented.</p>