



Lutheran
Education
VIC, NSW & TAS

Needs-Based Funding Distribution Principles

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Needs-Based Funding Distribution Principles:

Lutheran Education VIC, NSW, TAS and ACT Ltd (LEVNT) System

Lutheran Education VIC, NSW, TAS and ACT Ltd (LEVNT) is the approved system authority for Commonwealth recurrent and capital funding within the meaning of the Australian Education Act 2013 (Cth) for Lutheran Schools located in metropolitan and regional areas across Victoria (14), New South Wales (4) and Tasmania (1). LEVNT is also the approved system authority for Victorian State Recurrent Grants and Capital funding (and other Victorian grants) within the meaning of the *Education and Training Reform Act 2006* (Vic).

The Lutheran Church of Australia Victorian District (including Tasmania) is the sole member of LEVNT. LEVNT also serves as the Schools' Department of the Lutheran Church of Australia NSW and ACT District under a memorandum of understanding between the two Church Districts.

Lutheran Schools participate in the Funded System through individual Affiliation Agreements with LEVNT.

Needs-Based Funding Distribution Arrangements

Each LEVNT school receives its full entitlement of State Government funding either directly, for NSW and Tasmanian schools, or by distribution from LEVNT for Victorian school.

LEVNT receives Commonwealth Government funding (which includes a base amount of funding for every student and additional loadings for specific students and schools) for LEVNT schools based on Department of Education (DE) determined transition rates. The base amount is calculated by reference to an amount per student called the schooling resource standard funding amount.

LEVNT will retain a percentage of funding received from the Commonwealth Government to cover administration cost of the LEVNT Regional Office. Further details are provided under LEVNT Funding Arrangements below.

LEVNT will apply the following needs-based system funding distribution principles for LEVNT schools:

1. Public funding will be distributed to LEVNT schools in compliance with the *Australian Education Act 2013* and *Australian Education Regulation 2013*.
2. LEVNT will distribute base funding to individual schools based on the LEVNT determined transition rates.
3. LEVNT will recognise needs-based funding arrangements that take account of the specific circumstances of students and individual schools in order to assist in the minimisation of disadvantage and facilitate a high quality education for each student in LEVNT schools.
4. Publicly funded loadings that are received based on student characteristics, school location and school size will be distributed to each school based on a school's LEVNT determined transition rate.

ARTICLE 1. The LEVNT determined transition rate includes a mechanism to redistribute the ISV targeted funding allocated by the Commonwealth to Victorian schools in 2013. This redistribution was incorporated in the 2019 Commonwealth funding distribution that is used to calculate the starting LEVNT transition base for each school.

LEVNT applied a smoothing percentage to each school over the period 2020 to 2024 to even out wide fluctuations in funding changes during the transition to the new funding model. The majority of schools reached the 80% funding transition point during 2024. During this time, accumulated balances in the System Transition Pool were returned to schools in alignment with their transition

entitlements. As the final schools now complete their transition pathway, with all schools expected to reach full transition by 2029, the remaining System Transition Pool will be returned on a needs basis. This approach ensures that residual transitional funding is allocated in a way that best supports equity across the system, based on each school's unique financial circumstances and progress toward full transition.

5. LEVNT Funding Arrangements

The LEVNT Regional Office is funded by retention of a percentage of funding to cover administrative costs. What is offered by LEVNT to affiliate schools is the benefit of having services such as pooled professional development, human resources, risk, complaint and financial management support on call from an organisation that understands how the schools operate, both in terms of governance structure and faith, and that has the benefit of economies of scale.

The LEVNT Regional Office administrative costs include meeting the obligations of an approved system authority and provision of support to schools in the areas of governance, leadership, education, Christian Studies, compliance, risk management and financial management.

LEVNT annually report to School Boards and Leadership on the activities of the Regional Office, progress against the strategic plan. Schools contribute to the development of the LEVNT Strategic Plan and annually review and approve the amount of funds intended to be retained in the following year.

<p>LEVNT Needs-Based Funding Distribution Principles</p>	<p>Compliance with: Australian Education Act 2013 Part 6 Division 2 Subsection 78 (5)</p>
<p>LEVNT will distribute to each Affiliate School a per capita amount for each student, supplemented by additional funding targeted to individual student need.</p>	<p>a) An amount per student should be provided representing the recurrent resources required to support a student with minimal educational disadvantage to achieve expected educational outcomes.</p>
<p>Publicly funded loadings will be distributed in full to the specific schools for which they have been received based on school and student characteristics using the LEVNT transition rates.</p>	<p>b) in addition to the amount per student mentioned in paragraph (a), provides loadings to students and schools with additional needs in order to support student achievement, including loadings for the following:</p> <ul style="list-style-type: none"> i. students with disability; ii. Aboriginal and Torres Strait Islander students; iii. students with socio-educational disadvantage; iv. students who have low English proficiency; v. schools based on location; vi. schools based on size
<p>Government funding to be distributed according to Schools Assembly approved needs-based funding principles and in compliance with Better Schools legislation.</p>	<p>c) A funding model should be publicly available and transparent.</p>
<p>The LEVNT Regional Office is funded from retention of Commonwealth Funding to provide services to improve educational outcomes and realise efficiencies.</p> <p>In 2025 the percentage of Commonwealth Funding retained by the LEVNT Regional Office will be approximately 3.2%*</p> <p>* Actual percentage will be dependent on the final funding amount determined by the August 2025 Census.</p>	<p>d) A funding model should take account of efficiencies that can be realised while improving educational outcomes;</p>