Professional Practice and Performance for Improved Learning: School Governance
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The Victorian Government is committed to providing a world class education to every young Victorian regardless of their background. That is why we are providing record levels of funding for Victorian schools, and implementing an ambitious reform agenda to make sure that each dollar we invest improves student learning.

In 2012, I set out the core of this reform agenda in *Towards Victoria as a Learning Community* (TVLC). In TVLC I described our agenda as a “third wave” of reform following the structural devolution of the 1990s, and the centrally driven professional development of the last decade. In this “third wave”, our focus is on supporting every school to take advantage of their local decision-making power to implement high quality, evidence-based practice. Victoria’s high level of school autonomy positions us well for high performance, so long as we can establish the right culture of accountability and achieve the right level of capacity among school staff, leaders and school councils.

School councils, and the 17,000 volunteers that serve on them, are a critical part of our education system in Victoria. We know from the international literature that good governance provides the foundation for schools to operate effectively and efficiently and is a crucial underpinning for high performance and improved student outcomes. We need to ensure that Victorian government schools have the best possible governance arrangements and that school councils can act with confidence in their role as governors of their schools. This is why in TVLC I committed to a review of governance in Victorian government schools.

In undertaking the review, research has been commissioned into the history of school governance reform in Victoria, the international and national literature on governance reforms, and the current perceptions and understandings of school governance among principals and school council presidents in Victorian government schools. Considerable insight into school governance has also been gained through an examination of good practice in Victorian government schools and from the Victorian Competition and Efficiency Commission’s inquiry into school devolution and accountability conducted in parallel to this review.

Through this comprehensive review, we have identified a number of opportunities to improve the quality of governance across the Victorian government school system. First and foremost, there is an opportunity to fully harness the power of school federations, the success of which has been demonstrated in England over the past decade. Importantly though, such federations would only be achieved through an opt-in arrangement by the respective school communities, reflecting the Government’s commitment to school autonomy.

Beyond this, the review has identified an additional four key strategies to build the quality of governance in our schools, including:

- Embedding the strategic role of school councils, including amending the legislation to strengthen the school council’s role in governing for improved student outcomes.
- Reforming school council membership, including reframing the involvement of school staff to be based on their capacity to contribute to the governance of the school rather than as representatives.
- Building school council capacity, through enhanced recruitment, induction, training and support.
- Strengthening accountability through developing processes for the evaluation of school council performance and a channel for the communication of school council concerns.

While TVLC also committed to the exploration of additional employment powers to some high performing school councils, investigation has so far revealed limited evidence linking such powers to improved student outcomes and quality of governance. Therefore, changes in this area are not proposed in this paper. However, the Government will continue to monitor reforms in other jurisdictions and is open to exploring the provision of additional powers if evidence of resulting improvements in student outcomes becomes available.

Together the reforms set out in this paper detail how we will improve school governance and give us a clear roadmap to work with school councils to improve the learning of every single young Victorian in a government school.

I encourage all stakeholders to read this policy paper and provide feedback on the implementation of the actions.

The Hon. Martin Dixon, MP
Minister for Education
1. Victoria as a Learning Community

Towards Victoria as a Learning Community sets out an ambitious reform agenda for education in Victoria.

The reforms span teaching and learning, leadership, governance, accountability, resources and partnerships. They advance our common goal of seeing Victorian students reach the very highest levels of learning within the next ten years.

To achieve this goal, we must ensure our students are given the best chance to thrive and succeed in a globalised economy and society. Focused effort is required to ensure we are:

- **Shifting the achievement curve** – ensuring that every student is challenged and supported to meet their potential, based on a deep understanding of their individual learning and the next steps they need to take, no matter what their starting point or stage on the learning journey.

- **Facilitating a self-improving system** – establishing mechanisms and practices that enable principals, school councils and the school community to hold each other to account through their professional interactions, and also support transparent accountability to the broader community.

- **Supporting collaboration and partnerships** – supporting formal and informal arrangements that facilitate the exchange of practice, ideas, opportunities and resources across school boundaries, and drawing on the broad range of expertise available within our learning community.

- **Supporting leadership and professional practice** – continuing to develop the expertise and professional capabilities of principals, teachers and education support staff, supporting them to deliver quality education for all children and young people, and to improve their outcomes and opportunities throughout life.

- **Maximising access and inclusion** – providing quality learning opportunities for all students, with a particular emphasis on ensuring that our most vulnerable and disadvantaged children and young people, and students who are highly capable, are effectively engaged, challenged and supported.

Figure 1 illustrates how these reform objectives centre on student learning, in the context of autonomy, professional trust, partnerships, accountability, quality resources and support.
Our reform objectives are premised on the tenet that improved student learning is our primary educational goal and that learning comprises:

- what students learn (curriculum)
- how students learn and how we help them learn (pedagogy)
- how we identify where students are up to in their learning (assessment)
- how that information is fed back to inform the next stages of learning (reporting).

Our vision is for an education system founded on professional trust in our school leaders, staff and school communities, and for a system in which schools have the autonomy and flexibility to make decisions that drive improvement, informed by local knowledge, context and needs, and underpinned by rigorous accountability.

Autonomy means schools have the authority and confidence to make decisions about how they meet the demands of their local learning community. This is not just about the capacity to make decisions about staffing, finances, facilities and processes – although these are important. It involves having autonomy in the areas that count towards improving student outcomes including curriculum and models of practice.

A series of five documents called Professional Practice and Performance for Improved Learning is being developed to introduce a new approach to measuring, monitoring and improving performance in Victorian government schools. The five papers can be found at: www.education.vic.gov.au/about/department/vlc/Pages/framework.aspx and focus on:

- an overview of the new arrangements
- school accountability
- the performance and development of principals, teachers and education support staff
- how we support the capability development of the Victorian education professions
- school governance arrangements (this paper).

This paper provides an overview of governance in Victorian government schools and identifies changes to build governance capacity in an environment of enhanced autonomy. In the development of the paper, a year-long review of governance was undertaken that has included significant engagement with stakeholders.

To gain an understanding of current perceptions of school governance, all Victorian government school principals and school council presidents were asked to participate in a research project undertaken by GPS Research in early 2013. Input was sought through an online survey, discussion groups with key stakeholders and one-on-one interviews with individuals who had experience as a member of a school council or other governing boards. Further, a reference group was established composed of representatives from the key education stakeholder groups and the Department of Education and Early Childhood Development (the Department) to provide feedback at key stages of the research project.

Additional background material for the review has been provided through commissioned research on the current literature related to school governance and the operation of school councils. Two papers were produced: the Review of governance in Victorian government schools (Peter Cole, PTR Consulting), and Assessing goodness of fit to Victoria of approaches to school governance in national and international jurisdictions (Brian Caldwell, Educational Transformations).

The concurrent Victorian Competition and Efficiency Commission’s (VCEC) inquiry into school devolution and accountability has also provided insight into the operations of schools within the context of devolved decision-making. While the scope of VCEC’s inquiry was considerably broader than that identified for the review of governance, relevant material in both the public submissions to the inquiry, and the report Making the Grade: Autonomy and Accountability in Victorian Schools (the VCEC report), provided further insights and recommendations for consideration (2013).
2. The role of governance in improving outcomes

Governance is broadly defined as the structures, processes and relationships that identify and set strategy, budget and services, oversee and hold management to account for implementation and outcomes, and ensure compliance. Where governance is working well it provides:

...the foundation for high performance. It strengthens community confidence in a public entity, and helps ensure the reputations of entities are maintained and enhanced. Good governance enables entities to perform efficiently and effectively, and to respond strategically to changing demands.

(State Services Authority, 2010, p. 2)

A good governing body is focused both on accountability / conformance – that is, ensuring compliance with all relevant laws, regulations and policies – as well as on leading the performance of the organisation, including setting a clear vision and plan for improving outcomes.

Governance consists of three core elements – strategy, structure and capacity (see Box A). These elements must be optimised and aligned to support effective governance and improve student outcomes.

In a school context, good governance is demonstrated through setting an ambitious vision for the future, with a clear strategy for improving student outcomes through ensuring:

- improved school practices for curriculum, pedagogy, assessment and reporting
- strategic workforce planning

• appropriate facilities management
• sustainable financial management
• strong community and business partnerships.

International research indicates that the quality of governance within a school is a major contributor to the achievement of improved outcomes. Governance makes this contribution by providing a mechanism for determining the policy directions of the school, ensuring the strategic leadership necessary for the achievement of these directions, and establishing strong accountability within the school and from the school to the broader community (Ranson, 2011; McCrone, Southcott, & George, 2011; Department for Education and Skills, 2005).

In recent years, jurisdictions across the world have recognised the centrality of governance to school performance and student achievement and many have reformed their governance arrangements (Caldwell, 2013).

The governance role takes on greater importance within school systems with higher levels of autonomy. The greater the decision-making power that resides at the school level, the more important it is that the structures and processes that support and facilitate the quality of this decision-making are sound.

Our governance arrangements must be purposefully oriented to drive improvements in student achievement and provide accountability in the context of enhanced autonomy. The review of governance has provided the opportunity to build on the strengths of our current arrangements and enhance the role of school councils and their contribution in reaching Victoria’s goal to be a world leader in learning and development.
3. Principles of good governance

Based on a review of the governance literature (see Box B), across the private, public and community sectors (including school systems in other jurisdictions and non-government schools), we can derive a set of six high-level principles applicable to governance in the school sector. These are:

- strategic focus on outcomes
- rigorous accountability
- clarity of roles and responsibilities
- membership commensurate with purpose and functions
- ethical and responsible conduct
- community engagement.

These principles will form the basis of a shared understanding of what good governance is, and establish our specific expectations for the school governance framework as a whole, and the school governance body in particular.

**Principle 1: Strategic focus on outcomes**

The school council, through its decision-making structures and processes, demonstrates a long-term and strategic focus on improving student learning, engagement and wellbeing, and ensuring the ongoing financial viability and sustainability of the school.

Foundational to governance frameworks across all sectors is an explicit recognition that the key purpose of a governing body is to have in place policies, strategies and partnerships that improve organisational outcomes. This requires the governing body to:

- set a clear vision and direction for the organisation, including an articulation of its intended outcomes
- lead strategic and long-term planning, using a strong evidence base and with a focus on continual improvement
- direct the efficient allocation of resources to best support its vision, and provide financial oversight, monitor risks and mitigation strategies.

**Box B: Sources for governance principles**

ASX Corporate Governance Council. (2010). Corporate Governance Principles and Recommendations
Australian Institute of Company Directors. (2013). Good Governance Principles and Guidance for Not-for-Profit Boards
Australian Public Service Commission. (2007). Building Better Governance
New Zealand School Trustee Association. Website for school trustee elections

**Principle 2: Rigorous accountability**

Clear accountability mechanisms ensure the school council acts with transparency and is accountable for the impact of its decisions and the performance of its functions.

Accountability is a central principle in all governance frameworks. This can apply across three tiers whereby the governing body:

- holds the leadership team of the organisation to account, including by:
  - regularly and systematically monitoring and evaluating performance
– constructively challenging the leadership group through open sharing and discussion of performance information
– ensuring appropriate compliance and risk management strategies are in place
• holds itself to account for the performance of its functions
• is held to account for the achievement of outcomes.

A clear description of the respective roles, responsibilities and accountabilities of all entities in a governance framework is central to effective governance. This ensures that all those involved in the governance of schools are able to interact effectively and achieve their shared purpose of improving student outcomes.

Within the school context, the school community must have a shared understanding of the:
• purpose of the governing body
• powers, functions and responsibilities of the governing body
• lines of accountability
• relationships between all of the entities in the broader governance framework.

The corporate and not-for-profit sectors acknowledge in particular the importance of separating governance and management. The literature is clear in indicating a governing body should not be involved in the day-to-day management and operations of the organisation. In the school sector, this translates to a need for a clear delineation between the governing body (and specifically the school council president) and the principal.

The school council has a clear role in setting the tone for ethical and responsible decision-making that represents the interests of all current and future students at the school. Central to this is having processes for dealing with all perceived and actual conflicts of interest.

The Victorian Public Entity Directors’ Code of Conduct (2006) requires that members of a public entity (such as a school council): act with honesty and integrity; act in good faith in the best interests of the public entity; act fairly and impartially; use information appropriately; use their position appropriately; act in a financially responsible manner; exercise due care, diligence and skill; comply with the establishing legislation; and, demonstrate leadership and stewardship.

School councils govern within a broad context that includes school staff, students, families and the wider community. Engagement across these groups ensures the wide-ranging experience, skills and expertise found within the school community informs and enriches the operations of the council and provides an avenue for accountability to the community.
The governance framework for Victorian government schools comprises school councils, principals, staff, parents and the school community, the Minister, and the Department. Each of these entities has specific roles, responsibilities and accountabilities in ensuring Victoria’s government schools operate effectively.

School councils and their predecessors have been at the centre of this governance framework since 1872. Over this time the role of school councils has gradually expanded, particularly in the 1980s and 1990s with the focus on a participative democratic model of governance (Cole, 2010) and the provision of greater responsibilities for financial oversight, staffing, school planning, reporting and review. With over 17,000 councillors currently serving on school councils across the State, school councils make up the largest group of public sector boards in Victoria (see Box C for details of current school council arrangements).

Victoria has long been a leader in school governance arrangements, with school councils in Victorian government schools having more extensive powers than in other Australian jurisdictions. In New South Wales and Queensland, school councils still remain voluntary and are not found in all schools. However, as set out in this paper, there is still the opportunity to enhance the governance role of Victorian school councils within the context of greater autonomy and their work in developing learning communities and partnerships.

Box C: Current school council arrangements

Legal framework

A school council operates within the legal framework of the Education and Training Reform Act 2006, the Education and Training Reform Regulations 2007 and the individual school council’s constituting order. The constituting order is an order of the Minister for Education, which specifies the membership size and configuration of the school council, its objectives, powers, functions and accountabilities, and the role of the principal as executive officer.

Membership

A school council generally has between six and fifteen members and, in the majority of cases, comprises three categories of membership:

- a mandated elected parent category
- a mandated elected Department employee category (the principal is automatically one of these members)
- an optional community member category
  - members of this category are appointed by a decision of school council because of their capacity to assist the work of the council. They may have specialist skills, interests or experiences or they may provide the perspective of the parent club and/or the student body. Department employees are not eligible for membership of this category.

In certain circumstances, where specific skills or expertise may be required, the Minister may nominate individuals to serve on a school council. For example, John Monash Science School has four members from the academic staff at Monash University and Doveton College has nominee members from the Coleman Foundation and City of Casey.

School council members are elected or co-opted for a two-year term. Half the membership is elected or co-opted each year creating vacancies for the annual school council election.
As a central component of the governance review, Professor Brian Caldwell of Educational Transformations was commissioned to examine national and international approaches to school governance and assess the opportunities for the Victorian government school system (Caldwell, 2013). In undertaking this study, jurisdictions relevant to the Victorian context were selected, namely those that meet one or more of the following criteria: autonomy similar to that found in Victoria; recent governance reforms, and/or high performance. The school systems examined included those in Western Australia, Alberta (Canada), Ontario (Canada), Finland, New Zealand, England, Scotland, and the United States of America.

The study reveals a number of different structures for school governance. These can be broadly grouped into four types, noting that few jurisdictions have identical governance arrangements due to the unique nature of each local context.

1. Governance resides predominantly at the school level, with schools governed by their own governing body. School governance in Alberta and New Zealand is most closely related to this structure.

2. Governance resides predominantly at the school level, with federations of schools opting to be governed by a single governing body. This governance structure is common in the English school system.

3. Governance resides predominantly at a middle level between the school and central education authorities, with multiple schools governed by an independent skills-based board. Where school level bodies exist, they have a consultative role only. This reflects the governance structure for schools in Ontario.

4. Governance resides predominantly at the central level, with schools being governed by education authorities. Where school level bodies exist, they have a consultative role only. Schools in Finland and the United States of America (excluding charter schools) use this governance structure.

Cutting across these broad types of governance structures are varying levels of autonomy, provision of powers and strategic focus. For example, both England and Ontario use the federated structure of governance, however, only the English opt-in model is consistent with devolved decision-making.

The benefits of federation

Different governance structures can have varying levels of impact on the quality of governance and the potential to improve student outcomes. Increasingly, there is evidence that the federated structure of governance has the most potential to improve the quality of governance and student outcomes (Caldwell, 2013).

Federation can provide a powerful mechanism to improve the quality of governance in schools by:

- providing a wider pool of parents and community members for schools to access as possible council members
- strengthening purchasing power and increasing access to resources and skills
- sharing effective practice (Chapman, Muijs, & MacAllister, 2011; Ofsted, 2011)
- creating a wider range of learning and curriculum opportunities for all students.

The impact that the federated structure of governance can have on student outcomes is most evident in England (see Box D). Recent reforms to school governance have seen the federated structure of governance become a common feature of the English system (Caldwell, 2013). There are six kinds of federations in England, of which four are potentially relevant to Victorian government schools:

- **Cross-phase federations**: federations consisting of two or more schools of different phases, e.g. a primary and secondary school, or a first, middle and high school.

- **Performance federations**: federations consisting of two or more schools, some of which are low and others high-performing, usually consisting of two schools.

- **Size federations**: federations consisting of two or more very small or small schools, or a small school and a medium-sized school.

- **Mainstreaming federations**: federations consisting of one or more special schools combined with one or more mainstream schools.
Box D: Assessing the impact of federations in the English context

Professor Christopher Chapman and colleagues conducted two studies for the National College of School Leadership (Chapman, Muijs & MacAllister, 2011 & Chapman, Muijs, 2013). A number of benefits of federations were noted, including the following:

- Performance federations have a positive impact on student outcomes. However, there is a time lag of two to four years between formation of the federation and when their performance overtakes their non-federated counterparts. Secondary school federations outperform collaboratives (i.e. networks or collaborative activity that does not involve major structural changes in leadership, management or governance).

- Leadership is a key feature of the success of federations. There is considerable variation in the leadership and management structures found in federations. Secondary federations with executive leadership outperformed federations with traditional leadership structures (one headteacher leading one school), suggesting executive leadership arrangements should be seriously considered when establishing a secondary federation.

- Federating provides more opportunities for professional development, often at reduced cost, across the federation, and at times beyond the federation. Federal structures promote opportunities for collaboration. (Chapman, Muijs & MacAllister, 2011).

In addition, the UK Office for Standards in Education (Ofsted) conducted a study of the practice, structure and impact of federations in England between October 2010 and February 2011 (Ofsted, 2011). The following is a summary of the key findings in the study which demonstrates that while governance is not, in and of itself, a factor that causes learning to improve, it enables a range of actions to occur that have this effect:

In all the federations visited provision and outcomes had shown improvement. In each case the fact that schools had federated was a contributory factor to the improvement. In the federations where weaker schools had joined forces with stronger ones, the key areas of improvement were in teaching and learning, pupils’ behaviour and achievement. Those federations which had been set up to improve capacity among small schools had been successful in broadening and enriching the curriculum, care guidance and support for pupils. In these cases federation had also resulted in better achievement for different groups of pupils such as those whose circumstances made them vulnerable; this included those with special educational needs and/or disabilities. Pupils’ enjoyment of school and their confidence were also increased because of greater opportunities open to them and a larger circle of friends. As well as maintaining good-quality teaching and learning these federations shared a greater pool of resources and expertise that could be used more flexibly across schools. In the case of cross-phase federations between, for example, primary and secondary or infant and junior schools, federation had resulted in stronger academic transition procedures between schools. This meant less disruption to the progress made by pupils (Ofsted, 2011, p 4-5).

The findings of these independent studies are consistent and provide powerful evidence of strategies that are well-suited to systems like Victoria, where there is a range of school characteristics and different levels of performance among schools, and a relatively high level of autonomy.
6. Supporting opt-in school federations in Victoria

In Victoria, the vast majority of schools are governed by their own school councils. However, there is evidence that under this arrangement some Victorian government schools struggle to fill all available positions on their school council or obtain the optimal mix of skills and expertise. Often small schools and those in rural areas can find themselves in this position, although it is an issue that can impact on any school at different points in time.

Recognising the benefits of federation, some school communities are already exploring this option. In doing this they are assessing the federated structure that best combines local independence with effective governance in the context of their unique circumstances. For example, a group of schools in north eastern Victoria is also considering forming a federation in response to their particular needs.

Federated governance structures were identified in the VCEC Report (2013) as having advantages in some situations, including the opportunity to realise governance-related economies of scale. Building on the concept of federation, the VCEC Report outlines a model whereby groups of schools could be governed by independent boards, a middle level between the school and the Minister. These boards would replace the governance role of individual school councils which would instead have an advisory and community consultation role.

While the Government supports the notion that federations can be a powerful mechanism to improve school governance, it believes that the benefits of federation can be realised without introducing a middle level of independent boards. Such a model would be inconsistent with an environment of enhanced autonomy and runs counter to the principle of devolved decision-making. Governance is best placed as close to the school level as possible and the school council should remain at the heart of governance.

In line with devolved decision-making, the Government believes that schools themselves are best placed to decide the structure of governance that best suits their needs. The school review may be an opportune time for schools to consider their governance arrangements, and some may identify federation as a means to improve their governance capacity and lift student outcomes. As demonstrated in England, federation can come from a variety of federated structures (See Box E for possible federation scenarios) reflecting the particular strategic direction and capacity of the schools involved. The Government is currently exploring opportunities to support those schools that choose to federate, including through financial and other assistance.

**Actions**

The Government will:

1. **Promote awareness of federation as an opt-in model, and actively support and assist the establishment of federations for interested school councils.**

2. **Work with school councils which have recently federated or which are investigating federation, as live case studies to support the development of a step-by-step guide to federating.**

**Box E: Federation scenarios**

Scenario 1: Five small rural primary schools agree to form a federation with a common school council.

Scenario 2: Two secondary schools agree to form a ‘performance federation’, with one school having a strong record of success and the other struggling in recent years. They have agreed to federate for five years.

Scenario 3: Six primary schools and two secondary schools in challenging settings in metropolitan Melbourne agree to form a federation, with each school nominating members to a common school council, joining two leaders from the not-for-profit sector, together presenting a powerful mix of skills.
While school federation will be a powerful tool for some school communities, on its own it will not be sufficient to ensure effective governance in these federated schools. Nor will it ensure higher quality governance across our school system. The evidence gathered during the review suggests that a range of additional enhancements are required to ensure our school governance arrangements provide a strong foundation for world-leading student outcomes.

For example, the VCEC Report found that within the current operation of governance in Victorian government schools:

- there has been insufficient emphasis on framing accountabilities around the primary role of school council, namely improving student outcomes
- not all accountabilities and authorities reside at the right level of the system
- principals do not appear to have been well or even routinely held accountable for their performance, and especially for the educational gain of their students
- the capacity to hold principals and other actors in the school accountable for their performance is further diminished by capability gaps in school councils and DEECD.

The evidence suggests that the current governance framework could better support school councils in providing for more strategic governance in our highly devolved context. This is vital given the evidence suggesting the governance models that have the most impact on student outcomes tend to be strategic in their nature and operations (Caldwell, 2013).

Further action to build capacity and clarity about the strategic role of governance is required. To achieve this shift, the Government has identified four key opportunities for reform:

- embed the strategic role of school councils
- reform school council membership
- build school council capacity
- strengthen accountability.

### Embed the strategic role of school councils

Research into school governance and the advice of stakeholders indicates that most school councils operate effectively within the role currently defined for them by the *Education and Training Reform Act 2006* (the Act). However, it is also evident that the nature of this role does not adequately position school councils to act as governors, strategically driving improvements in student learning within an autonomous environment, and in a manner consistent with the principles of good governance identified above.

The *School Governance Research Report* (2013) noted that principals and school council presidents generally saw the role of the council as an advisory body, rather than a governance entity with a clear and direct role in setting a school’s strategic direction and overseeing performance. The tendency for school councils to have a more operational focus was also noted in the VCEC Report, which states:

> The current role of the school council is not tightly focused on core governance matters, but rather embodies a mix of tasks, routine administrative functions, representations on behalf of the parents and school community, and provision of strategic advice. (VCEC, 2013, p. 213)

Such an understanding of the role and purpose of the school council has been reinforced by the existing legislation and regulation, and departmental practices. For example, whilst the Act requires the school council to prepare a four year school plan and to report on this to the school community through the annual report, it does not explicitly prioritise student outcomes or school performance as an objective or function of the school council. Similarly, school council constituting orders have not supported the performance function of the governing body.

If school councils are to govern their schools more strategically, they need to be confident in their role of setting the strategic direction for the school, improving student learning, providing oversight and holding the school leadership to account for the school’s performance.

7. Supporting enhanced governance across all government schools
The Government will therefore amend the legislation and constituting orders to make clear that all school councils have a responsibility to establish and oversee the strategic direction of their schools. School councils will be required to ensure that their school has effective arrangements in place to guide and monitor:

- **school-wide curriculum, pedagogy, assessment and reporting.** The position a school takes to the breadth and diversity of its curriculum offering, its approach to how students will be taught and assessed, and the manner in which progress will be reported to parents are critical to the achievement of the school’s goals for improved student outcomes. Therefore, these high-level strategic considerations should be directed by the school council, in conjunction with the principal and leadership team, and within the parameters set by legislation, regulation and Departmental policy. Operational considerations will remain the responsibility of the school leadership.

- **workforce strategy.** As outlined in *From New Directions to Action: World class teaching and school leadership* (2013), it is our teachers who hold the key to improving student outcomes. Therefore, school councils need to ensure that the school's workforce strategy (including the school’s broad approach to recruitment, induction and development of teachers and other staff) is designed to support the delivery of the school strategic plan.

- **facilities and infrastructure.** School councils are currently responsible for the after-hours use of the school premises, and for exercising a general oversight of the condition of the school buildings and grounds. Under these reforms, school councils will also be required to ensure that use of the school premises and grounds is optimised for the delivery of the school strategic plan.

- **financial management.** The Act currently requires school councils to ensure that all money coming into the school is expended for proper purposes relating to the school. School councils will also be expected to ensure that school funds are deployed in the best and most efficient way to achieve the goals and targets set out in the school’s strategic plan.

- **community and business partnerships.** Partnerships with business and community organisations are a critical resource for schools in achieving improved outcomes for their students. School councils will need to both stimulate interest in the school in the wider community, as well as actively work to establish partnerships that will support the school’s strategic plan.

Underpinning all of the reforms will be the understanding that school councils have a governance role, not a management or operational role. Therefore, while school councils will be responsible for oversight of the high level direction and the monitoring of performance and risks in each of the areas outlined above, they will not be engaged at an operational level. This is the responsibility of the school principal and staff.

This new approach to governance will be reflected in all of the Department’s guidance materials, including the *Compact: Roles and responsibilities in Victorian government school education* (2013) and the School Policy and Advisory Guide. This would include an outline of the powers of school council and the opportunities to fully utilise existing flexibilities.

To effectively undertake this more strategic governance role, school councils will require access to timely and comprehensive aggregated school performance and financial data. Therefore the Government will provide school councils with access to the School Information Portal, the online information system currently used by school principals. School councils will also be provided with appropriate training and support to interpret and use this data.

**Actions**

The Government will:

3. **Amend the Education and Training Reform Act 2006 and school council constituting orders to include a more explicit focus on the school council’s strategic role.**

4. **Update The Compact: Roles and responsibilities in Victorian government school education (2013), to reflect the reforms in this paper.**

5. **Provide school councils with direct access to the School Information Portal, together with appropriate support materials.**
Reform school council membership

The membership of any governing body needs to be structured to ensure the appropriate skills, expertise and perspectives are available to provide effective governance. This includes people who have gained their technical knowledge and skills outside the education sector, as well as those whose knowledge is drawn from their experience with schools, families and the community. Councils with a diverse membership play a pivotal role in building strong and productive partnerships between school leaders, teachers, parents, students and community members. In keeping with the Government’s commitment to autonomy, the council membership must always best serve the school community, its needs and aspirations.

Currently, the constituting orders of the great majority of government school councils stipulate that school staff elect their own representatives to school council, with the proviso they do not comprise a majority of council members. This model of employee representation on a governing body – where staff effectively elect spokespeople to represent their viewpoint - is at odds with the principles of good governance. Indeed, the governance literature indicates that effective governance can be compromised where the membership is structured on the ‘representation’ of various stakeholder groups (AICD, 2013; ANAO, 2003). This point was also raised in the VCEC Report, where there was seen to be a “tension between stewardship and stakeholder representation” (p.212).

Therefore the Government will reform school council membership, moving away from the existing employee-representation model. Under the new approach, parents and the school principal will remain the core of the council, with staff representatives no longer being elected. However, it is recognised that effective school governance requires members with a deep understanding of education and student learning to be on the council. Naturally, school principals bring this expertise, but school councils may choose to co-opt additional school staff to build this capacity. Importantly, these individuals would be co-opted to council based on their capacity to contribute to the governance of the school, not as spokespeople elected by their peers. Principals would identify school staff to be co-opted to the council for the approval of the council. The existing arrangements regarding the number of DEECD staff on the school council will be retained. These council members would have full voting rights but not be involved in the selection and performance development process of principals.

Complementing this new approach to school council membership, there is an opportunity to modernise and streamline the school council election process. Data from the School Governance Research Report indicates that in many schools the election process is perceived as so burdensome some will try to avoid the necessity of holding an election. The reliance on a complex paper-based approach exacerbates the workload involved in elections. In a similar vein, schools wishing to amend the composition of their council (which requires a change to their constituting orders) may face a delay of some months while the various elements of paperwork and authorisations are completed. The Department needs to be more responsive to the needs of schools and therefore will work to improve the process involved in updating council constituting orders.

Actions

The Government will:

6. Amend the school council constituting orders to reframe the involvement of school staff to be based on their capacity to contribute to the governance of the school rather than as representatives.

7. Streamline the process of making and amending constituting orders for school councils.

8. Reduce the administrative burden in the management of the school council election process.
Build school council capacity

School councils operate effectively when their membership demonstrates the skills and experience necessary to carry out their responsibilities effectively.

The School Governance Research Report revealed that many individuals serving on school councils felt they did not have the requisite skills and training to undertake their current duties and exercise their powers effectively and were reliant on the principal in providing direction. Many expressed a strong desire for additional formal training. Concerns about the capacity of school council members were also raised in the VCEC Report where a variation in skills and expertise across councils was noted, resulting in a recommendation for improved training and induction.

The consequences of school councils not having the requisite skills to undertake their specific responsibilities are potentially serious. The Act provides school councils with significant powers including entering into contracts, establishing trusts and procuring services, and the responsibility for providing financial oversight. However, examples of non-compliance suggest that some councils do not possess the requisite capacity to undertake these responsibilities. With the greater strategic role for school councils outlined in this paper, the need for enhanced governance capacity becomes even more important.

To this end the Government will improve induction and training for school councils, including: updating training materials for school councillors; providing an induction pack to all new school councillors; requiring training for new school councillors, presidents and principals as Executive Officers; and investigating access to programs at the Bastow Institute of Educational Leadership for school council presidents and treasurers. The Department will also assist school councillors to form networks to share and support best practice.

While not all councils serving the diverse range of primary, secondary or special schools across Victoria will require exactly the same skill-set, there is a core set of competencies required for effective school governance. Therefore, a guide will be developed outlining the desired skills and expertise required to support the operation of the school council, and councils will be encouraged to use this to identify gaps and inform recruitment.

A school council can invite individuals to serve on council (co-option) to provide additional expertise and help in building partnerships with local business and community organisations to support the school achieve its strategic objectives. While all school councils currently have the ability to co-opt additional members from business or the community, there is a need to increase awareness of this option and assist schools in identifying appropriately skilled individuals as co-opted members. Therefore, the Department will establish a pool of interested and skilled individuals from business and community organisations with the appropriate knowledge, ability and willingness to serve as school councillors, from which school councils can co-opt members.

Together, these reforms will ensure that all councils have the capacity to provide the strong strategic governance envisioned in this paper.

Actions

The Government will:

9. Improve induction and training for school councils.

10. Develop a guide that outlines the desired skills and expertise required for effective school governance.

11. Improve awareness of the benefits of co-opting community and business leaders to school council, and establish a pool of interested and skilled individuals from which school councils may co-opt members.

12. Assist the establishment of networks of school councillors.

Strengthen accountability

The VCEC Report has identified a growing body of literature reporting a positive correlation between student outcomes and the degree of accountability in the school system. Accountability arrangements need to be rigorous and transparent, particularly in the context of the high level of autonomy available to Victorian government schools. Strong accountability means that lines of responsibility are understood and those responsible are answerable for their decisions (ANAO, 2003).

For school councils, strong accountability needs to be demonstrated across three tiers, as outlined below.

Tier 1: The school council holds the school leadership team to account for the effective and efficient delivery of the strategy and plans the council has developed to improve school performance.
This is achieved through:

- Regularly and systematically monitoring and evaluating the school's performance against the high expectations set.
- Constructively challenging the school leadership on the continuous development and improvement of the school, through the open sharing and discussion of data and other performance information.
- Ensuring that the school has arrangements in place to achieve compliance with relevant legislation and regulations, as well as appropriate risk management strategies, and rigorous financial checks and balances.

Recent revisions to the School Performance Framework mean that school councils are now required to be active participants in the consideration of the school's performance in the school self-evaluation and school review. However, the VCEC Report raised concerns about the ability of school councils to perform this accountability function effectively and indicated:

... the role of the school council is often more one of supporting the principal rather than helping to hold the principal and school to account for their performance. (VCEC, 2013, p. 213)

The role of school council in holding the school leadership to account is complementary to, and intersects with, the principal performance and development process overseen by the Department. Under this process, the principal's performance and development plan is aligned to the school strategic plan and annual implementation plan. Given this, there is an opportunity to gain additional insight into the principal's performance though seeking feedback from the school council regarding the principal's delivery of the strategic plan.

Importantly, there is currently no clear pathway for school councils to raise concerns if they feel that the directions outlined in the school strategic plan are not being followed by the school leadership. Each year there are a small number of instances where dissent occurs between school council and school leadership – a clearer process for the resolution of these disputes would assist all parties.

**Tier 2: The school council holds itself to account for the performance of its functions and its outcomes through monitoring, self-reflection and taking action to continually improve this performance.**

The School Governance Research Report revealed that many school councils do not regularly reflect on their own performance. This is in contrast to other governing bodies where regular self-reflection is required. For example, the recent Governors' Handbook (2014) developed to guide governance bodies in the English context, indicates that best practice across school governing bodies can only be demonstrated when these entities are, among other requirements:

- Evaluating their performance regularly in the light of recognised expectations and other good practice and making changes as necessary to improve their effectiveness. (Department for Education, 2014, p. 7)

**Tier 3: The school council is held to account for delivering on its functions and obligations.**

School councils are accountable to their community, and this accountability is most clearly demonstrated through the annual report and associated public meeting. It is also evident through the school council election process. More formally, a school council is accountable to the Minister for Education for the performance of its functions. However, as a system we currently have no framework or benchmark against which school council performance
is assessed. Indeed, historically school governance was excluded from consideration in the school review, although this has now been addressed in the new approach to accountability announced late in 2013. While the Act makes provision for the Secretary to undertake “effectiveness and efficiency” reviews of school councils, there is no transparent criteria on which this would be undertaken, if required.

Based on the accountability considerations outlined above, the Department will develop a tool to assess school council effectiveness. This will be used by all school councils in a process of regular self-reflection (the council holding itself to account), and each school council will report on their reflections in the school annual report. This tool may also be drawn upon in school reviews to determine the school council’s contribution to improved student outcomes (the school council being held to account). The Department will also develop a transparent process to resolve concerns related to the effectiveness of a school’s approach to delivering its strategic agenda. This will provide a pathway for school council concerns to be heard and result in quicker and fairer resolution of issues, which is in the interests of students and the broader school community.

**Actions**

The Government will:

13. *Develop a process for addressing concerns held by school councils regarding the delivery of their strategic agenda.*

14. *Develop a tool to assess school council effectiveness, for use in a regular process of council self-reflection and as an option in the school review.*

15. *Include a requirement that the views of the school council president be considered as an additional input into the principal performance and development process.*
As flagged in TVLC, the Government committed to exploring whether school councils of high performing schools should be provided with the power to "employ principals, manage principal performance, and be more flexible in determining the teacher career structure within the school" (TVLC, 2012).

As part of the review of school governance, the Government has not found sufficient evidence to support the need for the provision of additional employment powers to school councils. Where these sorts of powers have been granted to governing bodies in other jurisdictions, such as those of academies in England and charter schools in the USA and Canada, no evidence has emerged to show corresponding improvements in student outcomes or the quality of governance (Caldwell, 2013). Further, school council presidents and principals have indicated they believe the current set of powers given to school councils is about right, and no further powers need be provided (School Governance Research Report).

Under the new arrangements outlined in From New Directions to Action: World Class Teaching and School Leadership (2013), the Government has committed to the participation of school councils in the new two part principal selection process. This is consistent with the desired role of school councils as identified through this paper. Further, action 15 of this paper indicates that school council input to the principal performance and development process is seen as valuable and appropriate and will be a requirement going forward.

The Government will continue to monitor reforms in other jurisdictions and is open to exploring the provision of additional powers in the future if evidence of resulting improvements in student outcomes emerges over time.

8. Other considerations
9. Next steps

Strong governance supports improved student learning through providing a clear strategic direction for the school, building strong and productive partnerships, ensuring realistic but challenging benchmarks are set to monitor performance, routinely monitoring performance and holding the school leadership to account for these results. The school council makes sure the continual improvement of student learning is central to the school’s planning and supports the delivery of this goal through the school leadership’s management of the core drivers of improvement: curriculum, pedagogy, assessment and reporting.

Implementation of the actions in this paper will be rolled out progressively from 2014. We have a commitment to effectively support these reforms and will be working with the Commonwealth Government through the Independent Public Schools Initiative to enhance this support.

Each action will be implemented according to its own timeline and dependencies (including possible amendments to the Act, the Regulations or Departmental guidelines), and appropriate sequencing with related actions within the Victoria as a Learning Community action plan and the Professional Practice and Performance for Improved Learning suite of papers. Schools will be informed and updated on the timelines and progress of the actions as they are implemented.

Stakeholders are encouraged to provide feedback on the implementation of actions described in this paper.

Feedback on implementation of the actions described in this paper can be provided via school.governance.review@edumail.vic.gov.au
References


