

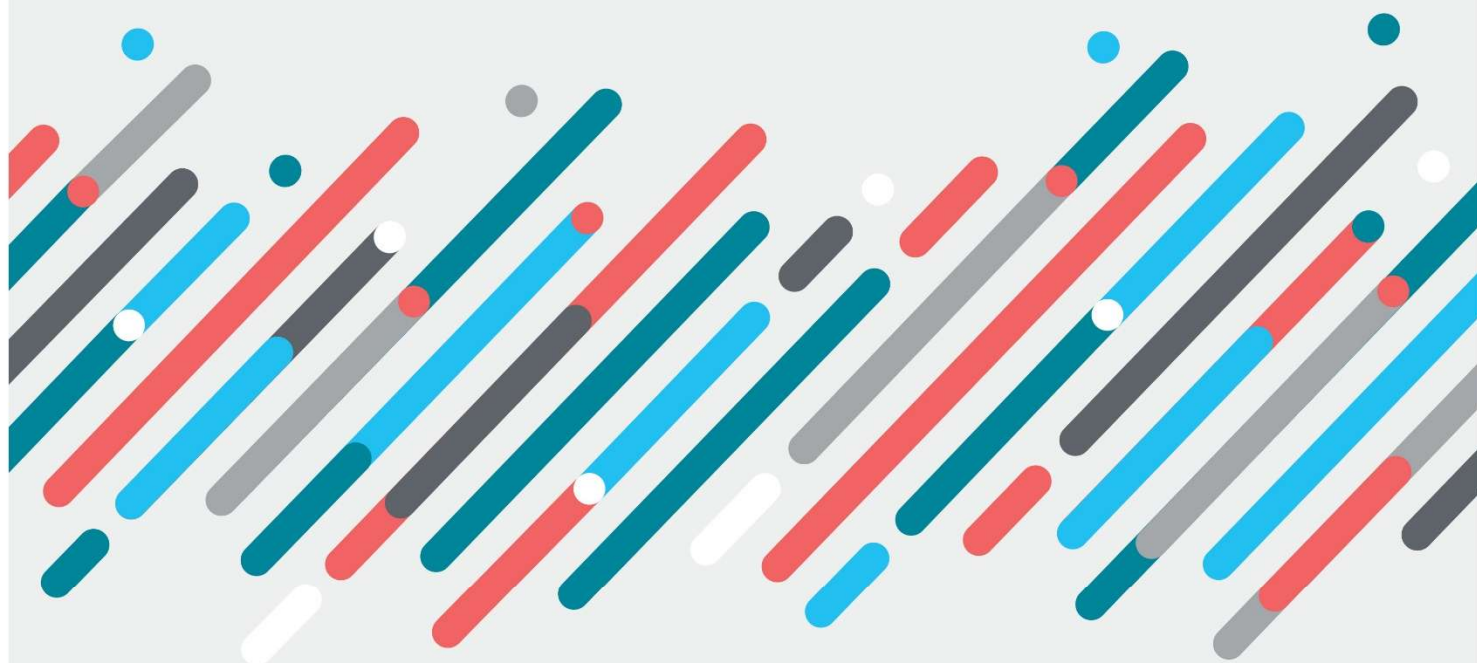


Australian Government
Department of Education

Choice and Affordability Fund Work Plan 2026-27

Independent Schools Queensland

Date agreed – 21 November 2025





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The document must be attributed as the ISQ Choice and Affordability Fund Work Plan 2026-2027.

Summary of Work Plan 2026-27

This work plan details the commitment of Independent Schools Queensland (ISQ) to meeting the objectives of the Choice and Affordability Fund (CAF), to address specific challenges and priorities in the Queensland independent school sector, for the period 2026-2027.

Over this period, ISQ plans to deliver against three CAF priorities – Transition Assistance, Special Circumstances Funding, and Choice and Affordability of Schools.

Under the Transition Assistance funding priority, ISQ will provide direct financial assistance to Queensland independent schools which are adversely affected by the new DMI funding arrangements, including Regional schools and schools which would have been eligible for assistance under the former National Adjustment Assistance Fund.

Within the Special Circumstances funding priority, ISQ will provide direct financial assistance to Queensland independent schools which are adversely affected by a range of special circumstances, including as a result of natural disasters, and other short-term emergencies. All schools represented by ISQ will be provided with the opportunity to apply for this funding.

Under the priority of Choice and Affordability of Schools, ISQ will facilitate projects which support schools to maintain choice and affordability for parents, and projects which support the implementation of structural adjustments where such adjustments are required because of changes in funding arrangements. These projects will assist schools in managing their costs and in understanding their market, intentionally focusing on activities that can support a broad range of schools at scale. All schools represented by ISQ will be provided with the opportunity to be supported through these initiatives.

Overarching Risk Management

Risk	Treatment: How the risk will be managed
Applications for direct financial assistance may be lower than expected.	Funding applications are monitored against available funding. Where grant applications are substantially lower than available funds, subsequent application rounds can be undertaken.
Carry-over of Special Circumstances funding may occur, as some expenditure is directly linked to actual adverse circumstances (e.g. natural disasters occurring).	A carry-over of funds may be required to mitigate the impacts of future natural disasters and short-term emergencies, later in the life of the CAF Agreement.
School utilisation of offered support may be less than expected	Stakeholder engagement will be important in ensuring that school needs are identified and can be responded to, and funded support services will be designed to meet those needs. Service utilisation will be monitored and assessed against expectations. Where demand for support is lower than expected despite awareness-raising activities, targeted engagement of stakeholders will be undertaken to identify design changes that may improve the ability of schools to achieve benefits from the support.

Budget for 2026–2027

Priority	Activities/Initiatives	2026		2027	
		Centralised	Distributed	Centralised	Distributed
A – Choice and Affordability	Projects to assist schools in managing their costs	\$900,000	-	\$1,100,000	-
A – Choice and Affordability	Projects to assist schools in understanding their market	\$500,000	-	\$500,000	-
B – Transition Assistance	Transition assistance for schools that would have been eligible for the former National Adjustment Assistance Fund	-	\$901,405	-	\$929,349
B – Transition Assistance	Transition assistance for Regional schools	-	\$5,772,718	-	\$5,892,340
B – Transition Assistance	Transition assistance for other schools	-	\$2,030,888	-	\$2,093,845
B – Transition Assistance	Transition assistance for SAS, MATSI and Special schools impacted by the removal of deeming for student background data in 2022	-	-	-	\$4,667,606
C – Special Circumstances	Special Circumstances grants	-	\$2,915,000	-	\$3,300,000
Administrative costs		\$270,000	-	\$280,000	-
Total		\$1,670,000	\$11,620,011	\$1,880,000	\$16,883,140

Activity/Initiative	Projects to assist schools in managing their costs
Priority	A – Choice and Affordability

Description

Queensland independent schools face economic challenges from a range of factors, including inflationary pressures on wages and costs, and the limited capacity of many parents to absorb increases in tuition fees. This is particularly relevant for low-fee and no-fee schools, where any increase in fees may place this schooling option out of reach for their community. Many independent schools provide an essential service to disadvantaged communities, including high-needs students with disability attending special schools, Aboriginal and Torres Strait Islander students attending remote indigenous schools, and highly disadvantaged students who have disengaged from mainstream schools.

In response to these challenges, for the benefit of all communities, ISQ will deliver a program of works to assist schools in managing their costs. This activity will directly assist schools to maintain or improve their financial sustainability, and will maintain or improve the choice and affordability for parents.

Focus areas within this activity will include:

1. School workforce data

The cost of labour is the largest operating cost for most schools. The way that these costs are managed can have a significant impact on a school's overall financial sustainability.

ISQ will collect relevant, detailed school workforce data from a range of sources, and undertake detailed analysis of this data to develop a range of workforce ratios, benchmarks and time-series data. This data will then be made available to represented schools through a self-service portal that includes accessible visualisations, providing schools with actionable insights and assisting them to make informed financial management decisions relating to their workforce composition and costs.

Individual schools will only be able to access their own information, compared to aggregated benchmark data. In addition to this, ISQ intends to undertake meta-analysis of aggregated data, to also provide represented schools with sector-level insights, adding additional value to schools to support them with focusing their attention on relevant aspects of their financial sustainability.

2. Group procurement arrangements

Individually, many independent schools do not have the buying power to make significant reductions in their non-labour costs. However, ISQ has the opportunity to achieve cost reductions for represented schools through the establishment of group procurement arrangements. These arrangements would be available for all represented schools, with the intent of achieving more favourable terms than may otherwise be available to an individual school acting alone.

As well as lower purchasing costs, this initiative will aim to reduce the administrative costs incurred by individual schools, who will have reduced need to each undertake their own procurement process. This can drive lower operating costs for schools, easing upward pressure on school fees. This leads to better affordability and availability of choices for families.

This initiative will involve:

- consultation with represented schools to understand their needs
- research and engagement with the supplier market
- designing a procurement strategy to deliver on the intended objectives
- facilitating a formal procurement process
- negotiating and contracting with the supplier/s who best meet the needs of represented schools
- communicating the details of the arrangement to represented schools, to ensure they are aware of the arrangement and are able to realise the benefits of it.

3. Compliance management platform

Ongoing management of compliance is known to be a key issue facing independent schools, who operate within a complex regulatory environment. These obligations often require significant management effort to comply with at a school level, including associated record-keeping.

Regulatory obligations stem from a range of sources, including requirements for accreditation as a non-State school, child safeguarding standards, privacy laws, workplace safety regulations, industrial agreements, charity regulations and employer obligations.

Through this work, ISQ will seek to streamline the compliance management processes for individual schools, through the establishment of a compliance management platform. The objective of this is to ensure that compliance management processes in use are the best possible fit for each school's needs, covering the full range of regulatory obligations, with reduced administrative costs and time.

This platform would be tailored to the needs of independent schools, with appropriate links to incident reporting, policy content, employee attestations, record-keeping and training records. This leads to more effective governance practices, risk management and oversight, having a positive effect on operating costs and, ultimately, affordability for parents.

The platform would be available to all represented schools, though its use would not be mandated.

Centralised expenditure for this activity will be primarily used for specialist consultants, relevant staffing costs and software costs as necessary to deliver this work.

Eligible schools

All represented schools will have access to this support.

Timeframes

This activity will be undertaken over the period 2026-2027.

Outcomes

Objectives/expected outcomes	Indicators of success
Schools will be supported to reduce costs, improve their long-term financial sustainability, and improve their affordability.	By 2027, at least 60 schools are supported through the projects to assist schools in managing their costs. By 2027, 80% of schools who receive support report that this assisted them in reducing costs, improving their long-term financial sustainability, and/or improving their affordability.

Key stakeholders

For this activity, ISQ has identified the following key stakeholder groups:

School leaders. Principals and Business Managers are key decision-makers at a school level, and they can directly influence the realisation of benefits achieved by their school through the utilisation of offered support for managing costs. ISQ engages with school leaders through a wide range of communication channels, including weekly newsletters and a regular program of forums and events, to ensure that ISQ has a robust, ongoing dialogue with these stakeholders. School leaders are also well-represented on ISQ's governing Board and its sub-Committees. These stakeholders will be kept abreast of project activities through normal communication channels and forums, and their targeted feedback on key matters will be sought on an ongoing basis.

School systems. Schools systems represent multiple schools, and have influence over the realisation of benefits achieved by those schools through the take-up of offered support for managing costs. ISQ engages with school systems through its normal communication channels as well as through regular one-on-one meetings, to ensure that ISQ has a deep and broad understanding of the different contexts and circumstances that are relevant to the school systems who operate in Queensland. School systems will be informed of project activities and their targeted feedback on key matters will be sought as appropriate.

Activity/Initiative	Projects to assist schools in understanding their market
Priority	A – Choice and Affordability

Description

Queensland independent schools operate in a fast-changing landscape, and must continue to stay abreast of changing demographic, social and economic circumstances. As the environment changes, schools must continually reassess their strategy and underlying business model, and make informed decisions about when and how to alter their strategic direction. The ability of schools to respond to changes in their external environment is a key factor in whether a school can navigate these changes sustainably, and continue to provide the services that their community needs.

In response to these challenges, for the benefit of all communities, ISQ will deliver a program of works to assist schools in understanding their markets. This activity will directly assist schools to maintain or improve their financial sustainability, and will maintain or improve the choice and affordability for parents.

Focus areas within this activity will include:

1. Demographic data

A school's market has a necessarily demographic dimension. It is of critical importance to a school to understand the changing demographics of their target market and the geographic area they operate in, as well as the areas where their students come from. This includes factors such as:

- Population growth projections
- Age demographics and projections for each year level
- Family socio-economic circumstances, occupations and income levels
- Family backgrounds, including indigeneity and religious, cultural and linguistic diversity
- Student disability and other additional needs.

These factors have a necessarily geographic dimension, with relation to a school's target market. ISQ will collect relevant, detailed geographic data from a range of sources, and undertake detailed analysis of this data. This data will then be made available to represented schools through a self-service portal that provides actionable insights, assisting them to make informed strategic and tactical decisions that relate to their market and to the student cohorts that they cater for.

This tool may be used by a school to inform cohort planning, long-term financial projections, transport route planning and campus planning. Ultimately this knowledge will assist schools to adapt their business models and strategic plans, supporting structural adjustments and long-term financial sustainability.

2. Standardised survey platform

Schools value feedback from stakeholders, to understand different perspectives about how their school is operating, where it is succeeding, and where improvements can be made. Where possible, schools can seek to facilitate a formal feedback process, to ensure that

stakeholders have an opportunity to be heard, and that management decisions can be made that responds to the feedback. This is frequently delivered through an online survey tool, which schools either develop in-house or purchase as a service from an external provider.

Through this initiative, ISQ will seek to provide represented schools with a standardised survey platform, with a pre-defined bank of survey questions, which schools can utilise to gauge community sentiment and perceptions. This could be used for surveys of parents, staff, students and the broader community, to better understand the perspectives of key stakeholder groups. Where schools use standard questions, this could over time build up a dataset that informs benchmarks, which can provide additional value to schools.

This initiative will aim to reduce the administrative cost of surveys for individual schools, as well as to ensure that schools have access to a high-quality survey platform which is tailored for the needs of Queensland independent schools, and is simple to utilise. These insights will position schools to better serve the needs of their students and communities.

Where schools utilise the standardised survey platform, ISQ expects that represented schools would have access to reliable data about stakeholder perspectives, which informs their strategic decision-making and assists them to adjust their business models, supporting structural adjustments and long-term financial sustainability.

Centralised expenditure for this activity will be primarily used for specialist consultants, relevant staffing costs and software costs as necessary to deliver this work.

Eligible schools

All represented schools will have access to this support.

Timeframes

This activity will be undertaken over the period 2026-2027.

Outcomes

Objectives/expected outcomes	Indicators of success
Schools will be supported to better understand their market, improve their long-term financial sustainability, and improve their affordability.	By 2027, at least 60 schools are supported through the projects to assist schools in understanding their market. By 2027, 80% of schools who receive support report that this assisted them in better understanding their market, improving their long-term financial sustainability, and/or improving their affordability.

Key stakeholders

For this activity, ISQ has identified the following key stakeholder groups:

School leaders. Principals and Business Managers are key decision-makers at a school level, and they can directly influence the realisation of benefits achieved by their school through the utilisation of offered support for understanding their market. ISQ engages with school leaders through a wide range of communication channels, including weekly newsletters and a regular program of forums and events, to ensure that ISQ has a robust, ongoing dialogue with these stakeholders. School leaders are also well-represented on ISQ's governing Board and its sub-Committees. These stakeholders will be kept abreast of project activities through normal communication channels and forums, and their targeted feedback on key matters will be sought on an ongoing basis.

School systems. Schools systems represent multiple schools, and have influence over the realisation of benefits achieved by those schools through the take-up of offered support for understanding their market. ISQ engages with school systems through its normal communication channels as well as through regular one-on-one meetings, to ensure that ISQ has a deep and broad understanding of the different contexts and circumstances that are relevant to the school systems who operate in Queensland. School systems will be informed of project activities and their targeted feedback on key matters will be sought as appropriate.

Activity/Initiative	Transition assistance for schools that would have been eligible for the former National Adjustment Assistance Fund
Priority	B – Transition Assistance

Description

As required under the CAF Agreement, ISQ will make financial support available for schools that would have met the criteria to have access to support through the former National Adjustment Assistance Fund (i.e. non-systemic independent schools which are expected to experience year-on-year reductions in per-student funding due to changes in Commonwealth recurrent funding settings over 2020 to 2029).

The granting of financial assistance for eligible schools is informed by ISQ's Choice and Affordability Fund Special Circumstances and Transition Assistance Reference Group, comprising appointed individuals who are independent of any individual independent school, and who collectively possess a mix of skills, expertise and experience in financial assessment, program management and independent school governance and management.

Eligible schools

8 Queensland independent schools are eligible for this transition assistance.

Timeframes

This activity will be undertaken over the period 2026-2027.

Outcomes

Objectives/expected outcomes	Indicators of success
Direct financial support is provided to Queensland independent schools that have been adversely impacted by the new DMI funding arrangements, to assist in their transition to the new arrangements.	All Queensland independent schools which would have met the criteria under the former National Adjustment Assistance Fund have been financially supported to transition to the new DMI funding arrangements.

Key stakeholders

For this activity, ISQ has identified the following key stakeholder groups:

School leaders. Principals and Business Managers of eligible schools are key stakeholders. ISQ will engage with these stakeholders as necessary through direct communication channels.

Activity/Initiative	Transition assistance for Regional schools
Priority	B – Transition Assistance

Description

As required under the CAF Agreement, ISQ will make financial support available for schools that are designated as Regional schools, which are expected to experience less funding under the DMI funding arrangements than it would have received under the 2020 settings based on SRS indexation.

The granting of financial assistance for eligible schools is informed by ISQ's Choice and Affordability Fund Special Circumstances and Transition Assistance Reference Group, comprising appointed individuals who are independent of any individual independent school, and who collectively possess a mix of skills, expertise and experience in financial assessment, program management and independent school governance and management.

Eligible schools

19 Queensland independent schools are eligible for this transition assistance.

Timeframes

This activity will be undertaken over the period 2026-2027.

Outcomes

Objectives/expected outcomes	Indicators of success
Direct financial support is provided to Queensland independent schools that have been adversely impacted by the new DMI funding arrangements, to assist in their transition to the new arrangements.	All Queensland independent schools which meet the criteria as a Regional school have been financially supported to transition to the new DMI funding arrangements.

Key stakeholders

For this activity, ISQ has identified the following key stakeholder groups:

School leaders. Principals and Business Managers of eligible schools are key stakeholders. ISQ will engage with these stakeholders as necessary through direct communication channels.

Activity/Initiative	Transition assistance for other schools
Priority	B – Transition Assistance

Description

As required under the CAF Agreement, ISQ will make financial support available for other schools where they are expected to experience reductions in per-student funding due to changes in Commonwealth recurrent funding settings over 2020 to 2029.

The granting of financial assistance for eligible schools is informed by ISQ's Choice and Affordability Fund Special Circumstances and Transition Assistance Reference Group, comprising appointed individuals who are independent of any individual independent school, and who collectively possess a mix of skills, expertise and experience in financial assessment, program management and independent school governance and management.

Eligible schools

26 Queensland independent schools are eligible for this transition assistance as they are expected to receive less per-student funding under the DMI funding model than it would have received under the 2020 settings based on SRS indexation.

38 other Queensland independent schools are eligible for this transition assistance as they are impacted by the removal of deeming for student background data by the Commonwealth in 2022. These SAS, MATSI and Special schools have received transitional funding from the Commonwealth which tapers down each year, with the final amount due to be paid in 2026. ISQ will provide additional financial support to impacted schools in 2027, representing a further year of payments of the same value as the final payment from the Commonwealth in 2026.

Timeframes

This activity will be undertaken over the period 2026-2027.

Outcomes

Objectives/expected outcomes	Indicators of success
Direct financial support is provided to Queensland independent schools that have been adversely impacted by changes in Commonwealth recurrent funding settings over 2020 to 2029.	All Queensland independent schools which meet the criteria have been financially supported.

Key stakeholders

For this activity, ISQ has identified the following key stakeholder groups:

School leaders. Principals and Business Managers of eligible schools are key stakeholders. ISQ will engage with these stakeholders as necessary through direct communication channels.

Activity/Initiative	Special Circumstances Grants
Priority	C – Special Circumstances Funding

Description

Financial support will be provided to schools impacted by special circumstances, including drought and natural disasters. As areas of Queensland are regularly impacted by cyclones and floods, this assistance will be important for school communities impacted by such natural disasters.

This activity will support schools and student impacted by special circumstances, including priority areas such as:

- Schools affected by drought or other natural disasters
- Schools in rural, regional and remote locations.

Special Circumstances funding will be prioritised for schools requiring short-term emergency assistance when unexpected circumstances or events cause severe and temporary financial difficulty. These situations will be assessed in accordance with the specific criteria set out in ISQ's CAF Agreement.

The granting of financial assistance for eligible schools is informed by ISQ's Choice and Affordability Fund Special Circumstances and Transition Assistance Reference Group, comprising appointed individuals who are independent of any individual independent school, and who collectively possess a mix of skills, expertise and experience in financial assessment, program management and independent school governance and management.

Eligible schools

All represented schools will have access to apply for short-term direct financial assistance, to support continuation of their educational activities.

Timeframes

This activity will be undertaken over the period 2026-2027.

Outcomes

Objectives/expected outcomes	Indicators of success
Queensland independent schools impacted by special circumstances, including drought or other natural disasters, are financially supported to ensure the continuation of their educational activities, and to ensure that the quality of their educational activities is maintained.	Queensland independent schools are provided with timely financial support, to ensure the continuation of their educational activities, and to ensure that the quality of their educational activities is maintained.

Key stakeholders

For this activity, ISQ has identified the following key stakeholder groups:

School leaders. Principals and Business Managers of eligible schools are key stakeholders. ISQ will engage with these stakeholders as necessary through direct communication channels, such as weekly newsletters, to ensure that they are aware of the opportunity to apply for this funding where relevant. This will have a particular focus following any widespread natural disaster. School leaders are also well-represented on ISQ's governing Board and its sub-Committees. These stakeholders will be kept abreast of this funding activity through normal communication channels and forums, and their targeted feedback on key matters will be sought on an ongoing basis.