

National Partnership Agreement on Literacy and Numeracy

Audit Report No.41 2011–12

Opening comments by Ian McPhee, Auditor General

12 SEP 2012

JCPAA Review 12 September 2012

1. Chair, members of the Committee, literacy and numeracy are foundations on which further learning is built. Achieving appropriate literacy and numeracy skills affects an individual's success in school and throughout life.
2. The National Partnership Agreement on Literacy and Numeracy (LNNP) aimed to apply the collective resources and efforts of the Australian Government, state and territory governments (states) and education sectors, to put in place the infrastructure and practices that will deliver sustained improvement in literacy and numeracy outcomes for all students, especially those who are falling behind. The Department of Education, Employment and Workplace Relations (DEEWR), on behalf of the Australian Government, had primary administrative responsibility for the LNNP.
3. Commencing in 2009, the LNNP was one of the first National Partnerships operating under the new Intergovernmental Agreement on Federal Financial Relations (IGA FFR). It was also one of the first National Partnerships to include reward payments to states. The LNNP committed \$540 million of Australian Government funding from 2008–09 to 2011–12. Approximately 1050 government and non-government schools, or approximately 10 per cent of all Australian schools, received assistance under the LNNP.
4. Overall, the audit concluded that the effectiveness of DEEWR's administration of the LNNP was mixed. This assessment was made in the context of National Partnerships being a new form of program delivery at the time and the LNNP being

and 15 months respectively, between the commencement of LNNP initiatives and NAPLAN testing for 2010 and 2011.

7. More broadly, national literacy and numeracy achievement has mostly been stable since the LNNP was introduced, including for low-performing and Indigenous students. In this light, it may take several years until a reliable assessment of the impact of the LNNP on literacy and numeracy outcomes can be made.
8. The implementation experience of the LNNP gives rise to a number of broader lessons for responsible agencies in establishing National Partnership payment arrangements. These include that the design of National Partnerships should allow sufficient time for initiatives funded using facilitation payments to significantly influence performance results, prior to measuring achievement against reform targets and making reward payments. The design of implementation and payment arrangements should also provide the best opportunity for achievement of intended outcomes, such as by linking accessible reward funding with the coverage of planned initiatives and targeted levels of improvement.
9. The ANAO made two recommendations to strengthen program and payment design for future National Partnerships, and to better assess the impact of the LNNP on literacy and numeracy outcomes for participating schools following the conclusion of the LNNP. DEEWR agreed with the two recommendations in the audit report.
10. I and the audit team will be happy to answer any questions the Committee may have.