

# VICTORIAN AUDITOR-GENERAL'S OFFICE

A U D I T  T O R I A

Special Report No. 17

## ■ Integrated Education for Children with Disabilities

May 1992

"AUDITING IN THE PUBLIC INTEREST"

VICTORIA

---

Auditor-General  
of Victoria

**SPECIAL REPORT No. 17**

**INTEGRATED EDUCATION  
FOR CHILDREN  
WITH DISABILITIES**

---

*Ordered by the Legislative Assembly to be printed*

---

MELBOURNE  
L.V. NORTH, GOVERNMENT PRINTER  
1992

ISSN 0818-5565  
ISBN 0 7306 2735 7

May 1992

The Honourable the Speaker  
Legislative Assembly  
Parliament House  
Melbourne, Vic. 3002

Sir

Under the provisions of section 48A of the *Audit Act* 1958, I transmit a Special Report on Integrated Education for Children with Disabilities.

*Yours faithfully*



C.A. BARAGWANATH  
*Auditor-General*

# PREVIOUS SPECIAL REPORTS OF THE AUDITOR - GENERAL

---

<i>Report No.</i>	<i>Title</i>	<i>Date issued</i>
1	• Works Contracts Overview - First Report	June 1982
2	• Works Contracts Overview - Second Report	June 1983
3	• Government Stores Operations • Department Cash Management	October 1984
4	• Court Closures in Victoria	November 1986
5	• Provision of Housing to Government Employees • Post-Project Appraisal Procedures within the Public Works Department	December 1986
6	• Internal Audit in the Victorian Public Sector	December 1986
7	• Motor Vehicles	April 1987
8	• Foreign Exchange	November 1987
9	• Land Utilisation	November 1987
10	• Utilisation of Plant and Equipment • Youth Guarantee	November 1988
11	• Financial Assistance to Industry	March 1989
12	• Alfred Hospital	May 1990
13	• State Bank Group - Impact on the financial position of the State	May 1990
14	• Accommodation Management	October 1990
15	• Met Ticket	November 1990
16	• Fire Protection	April 1992

# CONTENTS

<b>PART 1 EXECUTIVE SUMMARY</b>	
1.1 Foreword	3
1.2 Summary of major audit findings	5
<b>PART 2 AUDIT REVIEW</b>	
2.1 Audit objective and scope	19
2.2 Background to integrated education	21
<i>Access to Program 22 • Review of Program recently instigated by Minister 27</i>	
<b>PART 3 INTEGRATION POLICY</b>	
3.1 Integration policy	31
<i>Problems in defining policy 31 • What did the departmental regional management consider to be the Integration Program policy? 35 • Impact of a lack of clear policy 36</i>	
<b>PART 4 MANAGEMENT OF THE PROGRAM</b>	
4.1 Management procedures	39
<i>Has there been effective central management direction and control over the Program? 39</i>	
4.2 Impact on target group	43
<i>Extent of increase 43 • Impact of increased target group on the Integration Program 44</i>	
4.3 Management of financial resources	45
<i>Background 45 • How is the Integration Program financially managed? 46</i>	
4.4 Human resources	51
<i>Role of integration teachers and aides 51 • Is the Integration Program adequately resourced with integration teachers? 51 • Factors affecting the number of integration teachers and their allocation 52 • Qualifications of integration teachers 54 • Why is there a lack of qualified teachers in the Integration Program? 55 • How are specialist skills maintained? 60 • Integration aides 63</i>	
4.5 Management information systems	67
<i>Adequacy of management information system for decision-making 67</i>	
4.6 Program performance	71
<i>Performance measures 71 • Impact of non-categorisation on performance measurement 77</i>	

# **PART 1**

---

## **EXECUTIVE SUMMARY**

## FOREWORD

A key policy objective of the Government is Social Justice, which includes the protection of human rights.

As part of the realisation of human rights in the area of the education of children with disabilities, the Government's policy seeks to ensure that children's rights to equity of participation in educational services are upheld.

To achieve this objective, an Integration Program was introduced during 1984. The Program provides for the integration of children with disabilities into the regular school system.

This Program does not in itself take up a significant amount of resources when compared with the total amount of resources provided for education generally in Victoria. However, in view of its importance in the Government's Social Justice Strategy, and following a suggestion by the Department of School Education that the Integration Program be the subject of a performance audit, my Office undertook the review.

The audit findings contained in this Report will, hopefully, benefit administrators of the Program and, as a result, all students participating in the Integration Program.



## 1.2

# SUMMARY OF MAJOR AUDIT FINDINGS

**1.2.1** Major observations arising from the audit review of the Department of School Education's Integration Program are set out below. These key findings should be considered in the totality of the discussion in this Report. To facilitate consideration of the findings, however, this summary of major audit findings has listed them within broad categories which relate to major themes of this Report. It is hoped that this Report will be of assistance to both Parliament and all involved in the administration of the Program.

### BACKGROUND TO INTEGRATED EDUCATION

Page 21

- ▶ The number of students with disabilities within the Integration Program has grown from around 500 in 1985 to approximately 5 000 in 1991.  
*Para. 2.2.13*
- ▶ The number of students in segregated settings has fallen from 5 421 in 1985 to 4 967 in 1991.  
*Para. 2.2.13*
- ▶ No overall evaluation of the Integration Program has been undertaken since 1986.  
*Para. 2.2.17*

**INTEGRATION POLICY**

Page 31

- ▶ The 1984 *Integration Report* did not provide the Department of School Education with a clearly articulated policy with defined strategies and objectives.

*Paras 3.1.10 to 3.1.12*

- ▶ The Department, after providing audit with various versions as to what "*policy*" is, advised that current policy placed high priority on the right of a parent to choose between regular schools and segregated settings for the education of their child.

*Paras 3.1.13 to 3.1.17*

- ▶ The annual average cost per student in segregated settings has increased in the period 1984 to 1991 by 33 per cent in real terms, despite a decrease in the number of students.

*Para. 3.1.20*

- ▶ Despite confusion in departmental regions and among interest groups as to what the "*policy*" guiding the Program was, it was apparent that they believed that the placing of students with disabilities in the Integration Program was the preferred option.

*Para. 3.1.23*

- ▶ Until a clear formal public policy on the Integration Program is developed, the Department will be unable to finalise precise operational strategies to direct Program implementation.

*Para. 3.1.26***MANAGEMENT PROCEDURES**

Page 39

- ▶ The Integration Program strategic plan for 1990-92 has only been issued in draft form.

*Para. 4.1.6*

- ▶ Neither the central or regional management of the Department saw the accountability for Program expenditure as part of their role.

*Para. 4.1.8*

**IMPACT ON TARGET GROUP****Page 43**

- ▶ The number of students in both the Integration Program and in segregated settings has grown at a rate in excess of population growth and the Department of School Education was unable to fully explain why this growth had occurred.

*Paras 4.2.1 to 4.2.2*

- ▶ The impact of not being able to satisfy all requests for resources was not known by the Department as it did not keep records.

*Para. 4.2.5*

- ▶ The Department's ability to provide more resources for integration has been affected by the failure to redeploy teachers as integration teachers, as well as the transfer of students and resources from segregated settings to regular schools not occurring.

*Para. 4.2.6***MANAGEMENT OF FINANCIAL RESOURCES****Page 45**

- ▶ The Department does not have sufficient financial information on which to base financial decisions on the Program.

*Paras 4.3.14 to 4.3.15*

- ▶ The Department of School Education considers that the consolidated recording of specific budget information and financial data relating to the Integration Program was not warranted.

*Para. 4.3.17*

**HUMAN RESOURCES****Page 51**

- ▶ In 1991, only 37 per cent of the projected required number of integration teachers were employed by the Department of School Education.  
*Para. 4.4.4*
- ▶ A considerable number of students are not being provided with the level of resources necessary for integration into the regular school system, with 22 per cent of students not receiving integration teacher assistance and 50 per cent of schools in which students with disabilities are enrolled not being allocated an integration teacher.  
*Paras 4.4.5 and 4.4.6*
- ▶ The absence of an integration teacher is due, in part, to a quota-based resource allocation process rather than directly relating the process to the population, distribution and needs of students in the Integration Program.  
*Para. 4.4.17*
- ▶ Despite the *Integration Report* recommending that integration teachers possess required qualifications in special education, the Department has not made the holding of such qualifications mandatory and only 16 per cent of teachers appointed to integration teacher positions possess the required qualifications.  
*Paras 4.4.20 to 4.4.23*
- ▶ Although there are, within the State education system, an adequate number of teachers qualified in special education, relatively few are participating in the Integration Program.  
*Para. 4.4.24*
- ▶ Failure to provide incentives for teachers to move to integration teacher positions has affected the Department's ability to resource the Program.  
*Paras 4.4.26 to 4.4.28*
- ▶ Expenditure on study leave awards (estimated at \$14.5 million) aimed at encouraging teachers to participate in the Integration Program has not achieved the desired result as the Program is still under-resourced.  
*Paras 4.4.30 to 4.4.36*
- ▶ Due to inaction by the Department, no primary teachers with special education have transferred to post-primary schools.  
*Paras 4.4.38 to 4.4.40*
- ▶ The Department has not provided prospective teachers with the prescribed levels of pre-service training in special education.  
*Para. 4.4.42 to 4.4.44*

**HUMAN RESOURCES - continued**

Page 51

- ▶ Appropriate policies and strategies for the professional development of integration and regular teachers involved in teaching students with disabilities have not been developed.  
*Paras 4.4.51 to 4.4.52*
- ▶ The allocation of integration aides to departmental regions on a formula related to teacher numbers rather than students' needs, gives rise to an inequitable distribution of resources.  
*Paras 4.4.55 to 4.4.59*
- ▶ The Department faces difficulties in ensuring the equitable distribution of resources, and there remains scope for a review of the allocation processes.  
*Para. 4.4.62*
- ▶ Anomalies between departmental regions in allocating integration aide resources, leads to the level of assistance provided being dependent entirely on the region in which the child is located.  
*Paras 4.4.63 to 4.4.65*
- ▶ Given the importance of integration aides in the Integration Program it is essential they receive appropriate training.  
*Paras 4.4.70 to 4.4.73*

**MANAGEMENT INFORMATION SYSTEMS**

Page 67

- ▶ Management information systems do not provide for management needs.  
*Paras 4.5.7 to 4.5.8*

**PROGRAM PERFORMANCE**

Page 71

- ▶ The measures used by the Department of School Education to assess performance do not enable assessment of improvement in the education and social participation in the community of students in the Integration Program.  
*Paras 4.6.5 to 4.6.9*
- ▶ The Department has not been able to adequately assess the effectiveness of the Integration Program.  
*Paras 4.6.10 to 4.6.11*
- ▶ New enrolments in segregated settings in 1990 were higher than in 1984.  
*Paras 4.6.14 to 4.6.15*
- ▶ The policy of non-categorisation of student disabilities has prevented the Department from ensuring the cost-effective and efficient use of public resources.  
*Paras 4.6.20 to 4.6.24*

## **PART 2**

---

# **AUDIT REVIEW**

## 2.1

# AUDIT OBJECTIVE AND SCOPE

**2.1.1** As part of my strategy for identifying government programs which are to be subjected to a performance audit, it has been my practice to invite the executive management of auditee bodies to suggest appropriate topics.

**2.1.2** As a result of this invitation the Department of School Education, formerly known as the Ministry of Education and Training, suggested a need for a performance audit of the provision of education services for children with special needs. The Department advised my Office that integration of children with disabilities in regular schools is a significant initiative of the Government. The Department also advised that while demand from parents and other articulate interest groups for further integration opportunities was very high, its ability to provide the services requested was severely constrained.

**2.1.3** The Department anticipated that the results of the performance audit would assist the management of the Program by demonstrating effective resource use or opportunities for greater efficiencies.

**2.1.4** The review concentrated on the delivery of integration services which provided access for children with disabilities to regular schools, referred to in this Report as the "*Integration Program*".

**2.1.5** The overall objective of the audit review was to evaluate the economy, efficiency and effectiveness of the Department's management of integrated educational services for the disabled.

**2.1.6** The audit review focused on:

- ▶ the implementation of the conceptual framework and guiding principles of integration;
- ▶ departmental organisational structures and procedures established to implement policy objectives;
- ▶ accounting systems, with particular emphasis on the level of funds provided and how these funds are spent;
- ▶ management information systems including planning and service delivery; and
- ▶ human resource management within the Program.



**2.1.7** The audit review comprised an examination of relevant records and discussions, at all levels, with the Department and various community groups with an interest in integration. A questionnaire seeking data on the implementation of the Program was completed by all departmental regional offices. Audit followed-up the questionnaire by visiting the regions to gather information at the regional and school level regarding the operation of the Program. Particular attention was directed towards procedures, including performance measures, which have been established to control and evaluate the effectiveness of the Program.

**2.1.8** The audit did not include any comparison of the relative merits or otherwise of integrated or segregated education for students with disabilities.

**2.1.9** Management responses included in this Report to the issues raised by audit have been provided by the Chief General Manager, Department of School Education.

## 2.2

# BACKGROUND TO INTEGRATED EDUCATION

**2.2.1** By the 1970s the concept of integration of children with disabilities into the regular school system was widely accepted internationally by educational policy makers and practitioners. The Australian and various State Governments, through a number of reports, gave strong endorsement to the concept, although in Victoria no government policy had been formulated at that time on this issue. Despite an absence of formal policy, there were certain students with disabilities already participating in the regular school system.

**2.2.2** However, the majority of students with disabilities were either in **segregated settings such as special schools, special development schools and day training centres, or at home.**



*Integrated education in a primary school environment.*

**2.2.3** In 1982, the then Victorian Minister for Education initiated an internal review of the educational services provided for children with disabilities which were at the time ad hoc and fragmented. A report produced in 1984 by the Ministerial Review Committee, entitled *Integration in Victorian Education* (the *Integration Report*), was accepted internationally and Australia-wide as unique in its commitment to the equity of participation in educational services. **The Integration Report laid the foundations for the direction of the Victorian Integration Program which aimed to integrate children with disabilities (the target group) into the regular education system.**

**2.2.4** The *Integration Report* defined integration as a process for:

- ▶ increasing the participation of students with impairments and disabilities in the educational programs and social life of regular schools in which their peers without disabilities participate; and
- ▶ maintaining the participation of all students in the educational programs and social life of regular schools.

**2.2.5** The *Integration Report* envisaged that the Integration Program would be based on a rights model, i.e. **the child's rights rather than on the child's disability.**

**2.2.6** The Integration Program, which was introduced in 1984, forms part of a wider drive for the realisation of human rights in all aspects of life. The Integration Program also reflects the key objectives of the State's Social Justice Strategy which are equity and fairness in the distribution of resources, fair access to goods and services, and the protection of human rights. Consequently, it has become one of the State's program priorities.

---

## ACCESS TO PROGRAM

**2.2.7** While providing an opportunity for students with disabilities to be educated in the regular school system, it was accepted that the decision on whether to educate in either regular schools or segregated settings remains with the child's parents.

**2.2.8** If integration into a regular school is chosen, the parents approach the school of their choice. An Integration Support Group is established by the school to assess the needs of the child. This Group comprises the school's principal (or the principal's representative), the child's classroom teacher, the parent and, if required, the parent's spokesperson (advocate). Following this assessment, the school council then decides whether the school is able to meet the child's needs. If the school council decides that the school is unable to meet the child's needs, an application for additional resources is then made to the Regional Integration Committee.

**2.2.9** The Regional Integration Committee comprising representatives from parent bodies, teacher unions, Department of School Education staff and other educational specialists, decides whether resources will be provided. Additional resources can take the form of integration teachers, integration aides, paramedical support (physiotherapists, speech therapists, occupational therapists) and equipment. Where a school building requires alteration, funds are allocated by the Department for this purpose. When the level of resources is approved the child then enters the regular school. **However, if additional resources are not approved the parent(s) may still elect to enrol the child in the regular school or in a segregated setting.**

**2.2.10** Enrolment in segregated settings is, however, dependent upon the assessment of the degree of the child's disability by a professional from a school support centre, such as a psychologist or social worker, who then advises the parent(s) of suitable segregated settings.

#### MANAGEMENT RESPONSE

*DSE notes that students who seek support under the Integration Program also need to demonstrate eligibility for enrolment in a special setting.*

**2.2.11** In segregated settings, students with disabilities are taught by teachers holding special education qualifications and receive remedial assistance from professionals such as physiotherapists and occupational therapists on a full-time basis.

**2.2.12** Students in the Integration Program in primary and post-primary schools may also receive individual assistance from teachers holding special education qualifications through the Visiting Teacher Service which is maintained to help any students with special needs cope with the regular school environment.

**2.2.13** Since 1985, the first full year of the Program's operations, the number of students with disabilities within the Integration Program has grown from around 500 to approximately 5 000 in February 1991. The number of students being educated in segregated settings, which includes both school-age students and adult students, has declined from 5 421 to 4 967 over the same period. Of the students in segregated settings, 982 have been transferred from Community Services Victoria (CSV) day training centres and from private centres. The students transferred included 246 adults.

**MANAGEMENT RESPONSE**

The above needs further clarification. The changes in the enrolments of students with disabilities between 1984 and 1991 are summarised in the following table.

SCHOOL-AGE STUDENTS WITH DISABILITIES

	1984	1991	% change
<b>SPECIAL SCHOOLS</b>			
- School-age students in 1984	4 795	2 941	-39
- Additional school-age students through DTC transfer (Adult students)	(608)	736 (1 235)	
<b>TOTAL SCHOOL-AGE STUDENTS IN SPECIAL SCHOOLS</b>	4 795	3 677	-23
<b>TOTAL INTEGRATION</b>	<500	4 987	+900
<b>TOTAL SCHOOL-AGE STUDENTS WITH DISABILITIES</b>	4 795	8 664	

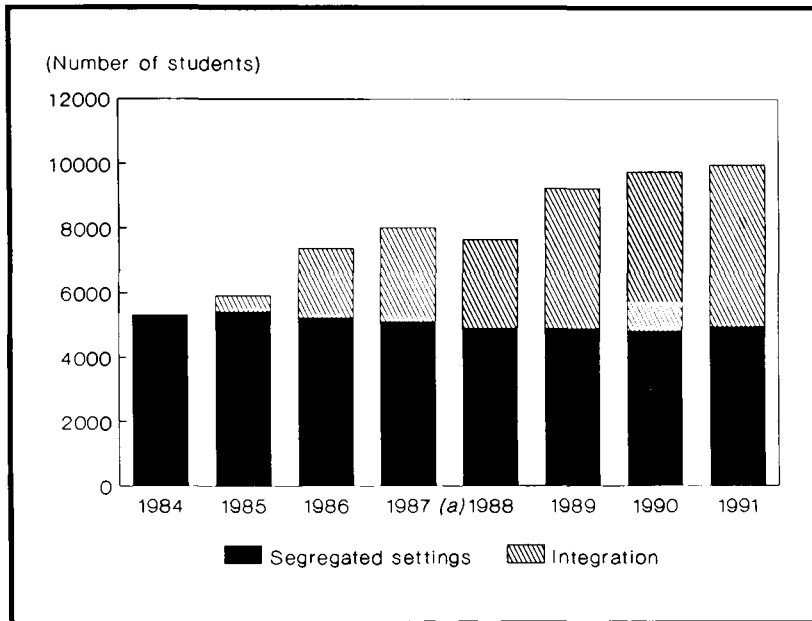
**2.2.14** Difficulty was encountered by audit in determining the reduction in students in segregated settings due to a lack of records. In 1991, there were 1 235 adult students compared with 608 in 1984. Audit was unable to verify whether the 1 235 adult students included the 608 present in 1984, the 246 transferred in from training centres or, students who had entered segregated settings and had subsequently reached adulthood.

**MANAGEMENT RESPONSE**

DSE rejects audit comments on lack of records. DSE census data with details of special school enrolments (including number and age of students) for the years 1984 to 1992 was made available to audit. DSE explained to audit that the cohort of adult students in special settings is composed of "students who had entered special settings at school-age and had now reached adulthood". The 18+ project is currently assisting with the transfer of these students to more appropriate adult services.

**2.2.15** The number of students with disabilities in segregated settings and in the Integration Program during the period 1984 to 1991 is illustrated in Chart 2.2A.

**CHART 2.2A  
NUMBER OF STUDENTS WITH DISABILITIES RECEIVING  
EDUCATION FUNDING**



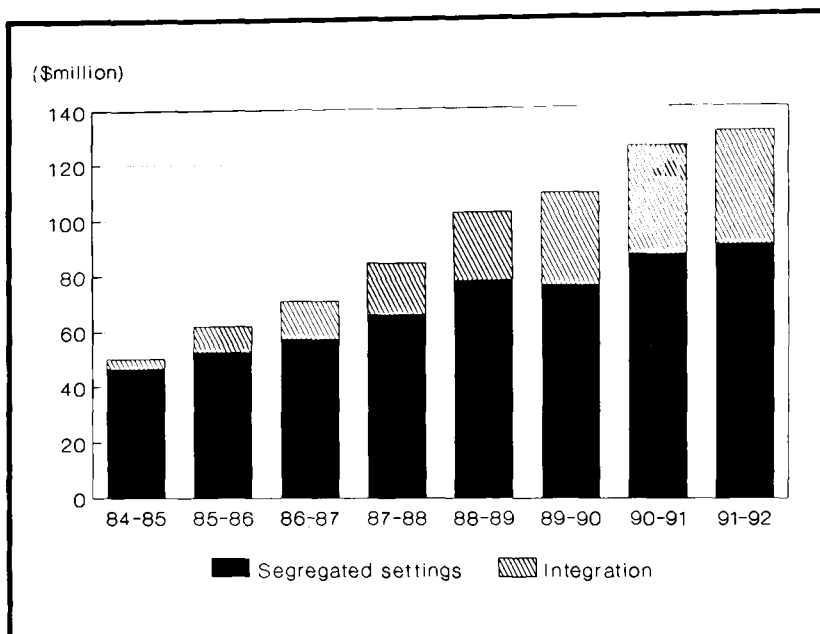
(a) In 1988 the Department did not maintain the records of students who only received integration teacher assistance.

#### MANAGEMENT RESPONSE

*DSE notes that the chart (above) does not account for the transfer of the Day Training Centres and adult enrolments in special settings. See DSE response to 2.2.13 and 4.2.2.*

**2.2.16** Departmental records indicate that recurrent expenditure on the Integration Program, over and above the normal cost of educating a student in a regular school has increased from \$3.6 million in 1984-85 (covers 6 months only) to \$38.6 million in 1990-91, and annual recurrent expenditure on segregated settings has increased from \$46.4 million to \$87.1 million over the same period, as illustrated in Chart 2.2B.

**CHART 2.2B. ACTUAL TOTAL RECURRENT EXPENDITURE FOR SEGREGATED AND INTEGRATION SETTINGS**



**MANAGEMENT RESPONSE**

DSE notes that the chart (above) does not take account of costs associated with the Day Training Centre transfer or the education of adults in special schools. See DSE response to 2.2.13 and 4.2.2.

**2.2.17** While the Department has undertaken and funded a number of studies on various aspects of the Program, **no overall evaluation of the success or otherwise of the Integration Program has been undertaken since 1986.**

**MANAGEMENT RESPONSE**

*Evaluation and reviews of the Integration Program have included "Integration Five Years On" (Cooke, S., Lewis, J., Sword, B., 1989); the SCAEPID Task Force Reviews of "Resource Allocation", "Organisational Restructure" and "Teacher Education and Staff Development" (Standing Committee to Advise on the Education of Persons with Impairments or Disabilities, 1989); "Integration a Place for Everyone" (PEP Review, Huish, R. ed, 1985); Review of Integration Teacher Role and Guidelines, 1991. In 1991, 2 large-scale evaluation projects commenced, i.e. the Preston Institute of Technology study of the implementation of the integration policy in Victoria (funded by an Australian Research Council Grant), and the Joint Integration Study, a co-operative venture of DSE and Latrobe University College of Northern Victoria, Deakin University, University of Melbourne, Phillip Institute of Technology and Victoria Institute of Technology.*

## REVIEW OF PROGRAM RECENTLY INSTIGATED BY MINISTER

**2.2.18** Since the findings of the audit opinion were conveyed to the Department, the Minister for School Education advised my Office that he had requested an internal review of the Integration and Special Education Program. The review, which is to be completed shortly, has the following terms of reference:

▶ **Program and objectives**

- Have the aims and objectives of the Program been developed to the point where implementation of the Program can be dimensioned and evaluated?
- What further elaboration (if any) is required to provide such a basis?
- What are the key issues likely to arise from such an evaluation at this time?
- What are the implications of these for the future conduct and management and control of the Program?

▶ **Program resources**

- Have the special resource needs of this Program been effectively addressed and managed within the overall budget?
- Has the Program been effectively resourced in both financial and human terms?
- Is accountability for such resources adequate at each level and related to Program performance?

▶ **Program management**

- To what extent have effective strategic priorities been set at central and regional levels?
- Are these consistent with overall program priorities? Have they been resourced?
- Has performance been evaluated against agreed priorities?
- Are the current management roles and responsibilities for the conduct of this Program adequate in terms of the size of staff, the distribution of roles and responsibilities, and relationships with other functions and programs conducted by the Department of School Education?

▶ **Scope for improvement**

- What specific actions might be implemented to improve the effectiveness of this program in the future?



**MANAGEMENT RESPONSE**

*The review referred to by audit is being conducted by a chief administrator of another agency and by the Director of the Department's Audit and Review Unit. The review is therefore not an internal review. It is welcomed by DSE, however, as it is clear that there is a need for a third party to make some assessment of the many points on which audit and DSE are in dispute.*

**2.2.19** Hopefully, this Report which canvasses many of the above issues will be of assistance to the Ministerial review.

## **PART 3**

---

# **INTEGRATION POLICY**

## INTEGRATION POLICY

### PROBLEMS IN DEFINING POLICY

**3.1.1** The economic environment of the 1990s brings into sharp focus the need for continued sound public policy making. The use that is made of public resources and the relationship that exists between the provision of government services and public needs are under constant scrutiny.

**3.1.2** "*Policy*", as the term is used above, refers to a definite course or method of action, selected among alternatives and in the light of given conditions, to guide and usually to determine present and future decisions.

**3.1.3** The written policy should provide administrators and the public with a succinct and unambiguous statement on the purpose of a Program, its philosophy, aims and objectives.

**3.1.4** This audit has been conducted under the authority of section 48A of the *Audit Act* 1958 which provides that the:

*"Auditor-General may at such intervals as he or she thinks fit, conduct any audit he or she considers necessary to determine whether a Department or public authority is achieving its objectives effectively and doing so economically and efficiently and in compliance with all relevant Acts."*

**3.1.5** The Act does, however, provide that the Auditor-General is not entitled to question the merits of policy objectives of the Government. Policy objectives are **broadly defined** in the Act as including:

*"... any policy objective of the Government contained in a record of a policy decision of Cabinet, a policy direction of a Minister, a policy statement in any Budget Papers or any other document evidencing a policy decision of the Cabinet or Minister."*

**3.1.6** In view of the above prohibition, it is the standard practice of my Office to attempt to establish in the preliminary phase of the audit what constitutes the Government's policy objectives.

**3.1.7** This is seen as an essential pre-requisite to the audit and is aimed at ensuring that audit staff do not encroach into the sensitive area of government policy.

**MANAGEMENT RESPONSE**

*Notwithstanding the prohibition acknowledged by audit in 3.1.2 - 3.1.3 on commenting on policy, the DSE believes that much of the substance of audit's findings represents direct or indirect criticism of government policy, both as it specifically relates to the Integration Program, such as the policy of non-categorisation, and more broadly on public sector financial management and decision-making within a devolved education system. Indeed, it is difficult for a performance audit not to address policy issues. However, this problem is further exacerbated by the stance adopted by audit (and explained to DSE by audit) of reporting "by exception", that is, reporting only on negative findings. This practice leads to an unbalanced assessment of the worth of programs and to negative comment on government policy.*

**3.1.8** In the *Report on the Commission of Inquiry into Possible Illegal Activities and Associated Police Misconduct* (the *Fitzgerald Report*) the Commission Chairman, Mr G. E. Fitzgerald, referred to problems in determining what constitutes government policy in the following terms:

*"The Westminster system of parliamentary democracy is based on the proposition that Governments answerable to the people decide policy and public servants implement it. There are conceptual and practical difficulties with this model but it essentially states the basic constitutional position.*

*"The boundaries between the creation of policy, in which political considerations may legitimately be taken into account and the application of that policy in which political considerations have no place are, however, easily blurred.*

*"There is a natural human inclination for a subordinate to seek to give effect to the wishes of a superior, and policy can be sufficiently broad and elastic to allow public servants to exercise considerable discretion. With the passage of time, it probably becomes easier for bureaucrats to claim, and even believe, that dubious considerations are either coincidental or covered by what has become an established approach to policy."*

**3.1.9** The *broadness* and *elasticity* of policy creates considerable difficulty for my Office in determining what is government policy, particularly when it is not clearly defined or articulated.

**3.1.10** The Department of School Education is responsible for the implementation and administration of government policy for the integration of children with impairments and disabilities into regular schools under the Government's Social Justice Strategy. Accordingly, audit anticipated that it would find within the Department a written policy which would provide "a *succinct and unambiguous statement on the purpose of the Program, its philosophy, aims and objectives*".

**3.1.11** However, the Department originally advised audit that the *Integration Report* produced in 1984 was the policy for the Integration Program. The *Integration Report* consisted of 237 pages of detailed discussions on related issues, extensive recommendations for addressing those issues and related Ministerial memoranda. Of the total of 143 recommendations, **104 were accepted by the then Minister** as the basis for policy implementation.

**3.1.12** Audit was of the view that the above document did not provide the Department with a clearly articulated policy as it does not set out definitive strategies and objectives.

*MANAGEMENT RESPONSE*

*DSE has always maintained that Minister Fordham's response to the Integration Review which included his summary of the key aspects of the integration policy, established and defined the integration policy (June 1984).*

**3.1.13** The Department was informed of audit's preliminary observations and was also advised that audit would be evaluating the management of the Program in terms of the 5 guiding principles set out in paragraph 3.1.21 of this Report and the accepted recommendations contained in the *Integration Report*.

**3.1.14** The Department subsequently advised audit that the *Integration Report* did not represent policy. Following a request from audit as to what was policy, the Department produced a draft policy statement.

**3.1.15** However, at the finalisation of the audit, the Department advised that the draft policy statement had no status whatsoever, and that the *Integration Report* was, in fact, the policy.

**3.1.16** At a subsequent meeting, audit was advised that the policy had developed over the years since the *Integration Report* was released, that some contextual changes had occurred and that these changes related to the enlargement of the special school system due to the transfer of CSV and private day training centres to the Department and the continued maintenance of students in segregated settings who had reached adulthood.

**3.1.17** The Department also advised that the **current policy places a high priority on parental choice between regular schools and segregated settings**, the implementation of integration through a whole school approach to curriculum and the development of positive co-operation between schools.

*MANAGEMENT RESPONSE*

*DSE believes the description above (paras 3.1.13 - 3.1.17) of the discussions between DSE and audit regarding policy is inaccurate and misleading.*

- (i) Audit has misrepresented DSE in relation to the status of the Integration Report (3.1.14). DSE advised audit that the Report is not the integration policy but that the integration policy was established by Minister Fordham and consisted of his decisions in response to the Report (June 1984). DSE has not suggested that the policy has changed, but has consistently maintained throughout the period of the audit that the implementation of the policy has been affected by contextual changes which have occurred since the policy was adopted in 1984. At NO stage did DSE suggest that any draft document provided by it represented the integration policy.*
- (ii) All policy documentation was provided to audit. On 2 subsequent occasions written summaries of the policy were provided to audit (October 1991 and February 1992).*
- (iii) DSE notes that the policy of parental choice derives directly from the integration policy established by Minister Fordham in 1984 and has always been a key element of the policy.*

**3.1.18** However, while reinforcing parental choice, it appeared to audit from the Report, that it was the intention that integration would eventually become the preferred parental option. For example, the *Integration Report* stated that "**Segregated settings of various sorts will remain in the immediate foreseeable future, but the Report believes resources should be directed as a matter of priority to enable children (with disabilities) increasingly to participate in the regular setting**" [emphasis added].

**MANAGEMENT RESPONSE**

*In establishing the integration policy, Minister Fordham stated, "Parents of children with disability are not required to seek enrolment in regular schools". In 1985, Minister Cathie reiterated this commitment to parental choice, "Special schools will be maintained as long as they are required (May 1985) [underlining added].*

**3.1.19** This assumption was further supported by the fact that one of the specific recommendations accepted by the then Minister was that segregated settings would be maintained at the 1984 level of resources in per capita terms and that no further segregated settings would be established.

**3.1.20** To support the principle of parental choice, the Department, out of necessity, has been required to maintain both Special Education and Integration Programs. **However, despite the policy decision to maintain funding of special education at 1984 per capita levels, information provided by the Department showed that while there has been a decrease in the number of students in segregated settings between 1984 and 1991, the annual average cost per student, in 1984 dollars, has in fact increased from \$8 624 to \$11 475 (33 per cent) in the same period.**

**MANAGEMENT RESPONSE**

*In its statements about increased resources for segregated settings, audit has not taken into account the fact that the 1984 policy also included the transfer of the remaining Day Training Centres from CSV (an increase of 32 in the number of special schools and 20 per cent of the school-age students). These schools which cater for students with moderate to severe intellectual disability have a higher staff student ratio than other special settings. Their transfer has thus increased the average cost per student across the special school system.*

## WHAT DID THE DEPARTMENTAL REGIONAL MANAGEMENT CONSIDER TO BE THE INTEGRATION PROGRAM POLICY?

**3.1.21** Departmental regional management have generally accepted the following 5 guiding principles, as articulated in the *Integration Report*, as the policy for the integration of children with disabilities into regular schools:

- (1) that every child has a right to be educated in a regular school;
- (2) that resourcing should be based on educational service requirements rather than category of impairment or disability (non-categorisation);
- (3) that resources and services should, to the greatest extent possible, be school-based;
- (4) that decisions concerning a child's educational progress should be made collaboratively; and
- (5) that all children can learn and be taught.

**3.1.22** In addition, departmental regional management have relied on assumptions made in the *Integration Report* and comments in a Ministerial press release dated 20 May 1985 for Program implementation, including:

- ▶ the adoption of a rights model as a focus;
- ▶ that there be parental choice regarding the appropriate school setting for their child;
- ▶ **the resources available for segregated settings be maintained at the 1984 level in per capita terms with no further special schools to be established;**
- ▶ that available resources include integration teachers, integration aides, equipment and paramedical support; and
- ▶ that implementation of integration is a process dependent on resource availability.

**3.1.23** Despite the confusion as to what the policy is, it became obvious from audit discussions with departmental regional management and with representatives from a number of public interest groups, such as the Victorian Advocacy League for the Intellectually Disabled and the Victorian Parent Advocacy Collective, that they believed that integration was the preferred option.

## IMPACT OF A LACK OF CLEAR POLICY

**3.1.24** The implications arising from the lack of clear, formalised public policy are discussed in detail in subsequent sections of this Report.

**3.1.25** In summary, this shortfall has led to:

- ▶ departmental regional management being uncertain of policy directions, and therefore not developing appropriate strategies, targets, performance measures and administrative structures for policy implementation;
- ▶ variations in interpretation of the intended policy resulting in disparities in the implementation of the Integration Program in schools; and
- ▶ the possibility that parents and the public have a less than clear understanding of the Integration Program.

**3.1.26** Until such time as a clear formal public policy detailing government strategies and objectives in relation to the education of children with disabilities is developed, the Department of School Education is unable to finalise precise operational strategies to direct Program implementation. In the interim, the Department will be unable to provide assurance to the Government that education programs involving students with disabilities are meeting their aims or are consistent with government policy.

**3.1.27** If the confusion experienced by audit is any guide, there is an urgent need for the Government to clearly enunciate the policy and for the Department to consolidate all amendments to the policy over its life.

### MANAGEMENT RESPONSE

*DSE does not accept audit's view that there is no clear formal policy in relation to the Integration Program or that there is confusion about the policy.*

- *As DSE has already noted (3.1.12), in June, 1984, Minister Fordham forwarded the integration policy to all schools, i.e. a copy of the Review (1984), with his summary of key aspects of the policy and his response to the recommendations.*
- *The policy has been succinctly encapsulated and widely circulated, to regions, schools and the wider community, in the Integration Brochure and other documents, e.g. Integration Support Group Procedures and Integration Teacher Policy and Guidelines.*
- *This information was supplemented by a book outlining the implementation of the integration policy in schools, Everybody's Different, everybody's the same (1989), and a set of educational videos Integration Processes and Perspectives (1990).*

*Senior management, regions and schools have relied on the integration policy as described above in the management of integration and in the achievement of the key objectives of the Program.*



## **PART 4**

---

# **MANAGEMENT OF THE PROGRAM**

## MANAGEMENT PROCEDURES

### HAS THERE BEEN EFFECTIVE CENTRAL MANAGEMENT DIRECTION AND CONTROL OVER THE PROGRAM?

**4.1.1** For programs to be effectively implemented, an adequate level of management direction and control is essential to ensure objectives and aims of the program are met. Such control can only be achieved through management being given legitimate authority and for management to be supported by structural stability, adequate control over funds provided and appropriately skilled staff. Management must also have mechanisms in place to monitor performance and progress of program implementation at all times.

**4.1.2** Without proper direction and control by management, it would be difficult, if not impossible, to effectively achieve goals. In the absence of such direction and control there is a strong possibility employees will function apart and duplicate each other's efforts, decisions will be made without adequate information and managers' daily activities will be dictated by the most recent crises.

**4.1.3** Certain responsibilities of the Department of School Education including key elements of the Integration Program have been devolved by central management to regions, schools, school councils and collaborative groups. However, overall responsibility for ensuring that the Integration Program is achieving its objectives remains with the central management of the Department.

**4.1.4** Program control at the central management level was intended to be achieved through an Integration Unit which was established by the Department in 1985 with the following tasks, as recommended in the *Integration Report*:

- ▶ *develop written policy guidelines and monitor their implementation;*
- ▶ *facilitate research into areas such as common records concerning children with disabilities and the identification of additional educational requirements;*
- ▶ *liaise within the Department;*
- ▶ *liaise with and facilitate co-ordination between other State and Commonwealth departments, the non-government sector and teacher training institutions on integration; and*
- ▶ *develop recommendations on program budgeting.*

**4.1.5** Since 1985, the Department has undergone a number of restructures and reorganisations which, in audit opinion, have had a detrimental impact on the effectiveness of the Unit in controlling the Program. Changes affecting the Integration Unit which have impacted on the Program include:

- ▶ A reduction in the number of **established** staff positions from 20 in 1985 to a low of 4 in 1991;
- ▶ Frequent changes in leadership;
- ▶ Diminution in the importance of the Unit in that, while the Minister accepted in 1984 that the Unit be directly responsible to the Deputy Director-General of Education, from 1991 the Unit has been responsible to a much lower level of management;
- ▶ The disbanding of the Unit in 1987 as part of a major restructure of the Department. Implementation functions were transferred to departmental regional offices and the remaining functions were taken over by another section within the Department;
- ▶ Re-establishment of the Unit in 1989; and
- ▶ A notable decrease over the past 6 years in the number of appropriately qualified and skilled staff within the Unit.

#### **MANAGEMENT RESPONSE**

*Contrary to the statement of audit, at no time has the size of the central Integration Unit/section exceeded 17 members.*

*After the devolution of the Department in 1987, 2 senior management positions were created in each region to assist with the management of the Integration Program. The current management team consists of 20 officers (4 central, 16 regional).*

*Audit has not acknowledged that the structural changes in DSE have followed reviews and recommendations for more devolved management, e.g.*

- *The external Review of DSE Program Structures by Deloitte, Haskins and Sells, Management Consultants (1987).*
- *The current management structure has resulted from the Review of the Curriculum Function (Betson, July 1990) which recommended the incorporation of the Integration Program within the co-ordinated, comprehensive curriculum support function of School Programs Division with a reporting relationship to the Assistant Chief General Manager.*

**4.1.6** In 1990 the Unit developed a strategic plan which was intended to link central management objectives for the Integration Program with the implementation of those objectives by departmental regional offices. However, the audit review disclosed **the strategic plan covering the period for 1990-92 had only been issued in draft form.** As a consequence, little effort has been made by departmental regional offices to implement the strategic plan.

**MANAGEMENT RESPONSE**

*The Integration Program Strategic Plan is not a management plan, but rather a broad planning document, drawn up by an advisory committee, to assist DSE in incorporating key departmental educational policies and priorities which have emerged since the introduction of the Integration Policy (1984) (e.g. District Provision Policy) into integration and special education planning.*

*Current management has clear management plans and objectives related to the implementation of the Program. These were made available to audit.*

*In addition, integration is included in the strategic planning of DSE.*

**Monitoring and accountability**

**4.1.7** The clear definition of roles and responsibilities, together with effective monitoring procedures, are key aspects of a sound management structure.

**4.1.8** Discussions held with both central management and regional staff to ascertain an understanding of their respective responsibilities found that central management saw its role as policy development and advice, while regional management saw its role as policy implementation and fund allocation. **Neither group saw accountability for expenditure as being part of their role.**

**MANAGEMENT RESPONSE**

*Accountability for resource allocation and expenditure is an explicit component of management for both central and regional staff within DSE and involves formal certification. See DSE response to 4.3.16.*

**4.1.9** The regional management believed that they did not need to be accountable on the assumption that integration aides and teachers who failed to perform their tasks would be identified through complaints by parents or school support centre staff who may visit the school. This assumption, however, relies on several factors including:

- ▶ All parents being aware of, and understanding the role and responsibilities of integration teachers and aides. This is dependent on parents' attitude and information supplied to them by integration teachers and schools, plus the degree of involvement they have in their child's school activities;
- ▶ The school support centres forming an integral part of the Integration Program. The role of school support centres, interestingly enough is not identified in either past or current organisational charts relating to the Program; and
- ▶ The parent and school support centre believing that it is their responsibility to report such deficiencies to the regions. This is dependent solely on the opinion of the people involved.

**MANAGEMENT RESPONSE**

*DSE believes that audit has misrepresented the responsibilities of schools and school principals within the devolved Victorian education system. School principals are directly responsible and accountable for the supervision and performance of staff.*

*All parents are able to bring complaints to the attention of the Principal. The following assistance is provided to parents of students on the Integration Program:*

- *the requirement that they be given a copy of the Integration Support Group Procedures which includes information on the appointment process of integration aides;*
- *the requirement that an Integration Support Group be established to assist them in monitoring educational outcomes for their son/daughter; and*
- *the opportunity for a trained parent advocate to support them in bringing any concerns they may have to the knowledge of the principal or region.*

## IMPACT ON TARGET GROUP

### EXTENT OF INCREASE

**4.2.1** As the Integration Program and special education are basically directed at the same target group, i.e. students with disabilities, expectations would be that the expansion of one group would result in an almost proportionate contraction of the other. However, the target group has grown by approximately 68 per cent, a rate far in excess of population growth.

**4.2.2** Apart from the transfer of 982 students from training centres, the Department was unable to fully explain the growth in the target group. However, there were several factors advanced by the Department and regional integration co-ordinators for the growth in the number of students in the Integration Program and special education, namely:

- ▶ the Integration Program was not only open to students eligible to attend segregated settings but also to students in regular schools who had *problems in schooling*;
- ▶ a less stringent application of the criteria for entrance to segregated settings; and
- ▶ there was a substantial increase in the number of students who had stayed in special education beyond the standard school age of 18 years.

### MANAGEMENT RESPONSE

DSE provided the following explanations of the growth in the target group to audit:

- (i) The extent of the growth as illustrated in the following table:

<i>SCHOOL-AGE STUDENTS WITH DISABILITIES</i>		
	1984	1991
<i>TOTAL SCHOOL-AGE STUDENTS WITH DISABILITIES</i>	4 795	8 664
<i>% of total government school population</i>	.83%	1.62%

*The percentage of school-age students with disability, receiving support in the education system in 1991 (1.62 per cent), is well within 3 per cent (a percentage commonly accepted internationally) and an improvement on the under-servicing shown by the 1984 figure of .83 per cent (Blackhurst, A.E. and Berdine, W. H., (1981) An Introduction to Special Education, Toronto, Little-Brown);*

- (ii) The impact of the Day Training Centre Transfer: *i.e. 20 per cent of the growth in the target group in special settings is the result of the transfer of 32 Day Training Centres from CSV to DSE (736 school-age students); and*
- (iii) Improved participation in integration and special education: *through improved educational programs and increased awareness of disability in the community as a result of community education and the broad community consultations in conjunction with the integration review and State and Federal disability legislation.*

*DSE notes that enrolment in special schools is conditional on ability to satisfy eligibility criteria. In addition, in order to be eligible for integration funding students are also required to demonstrate eligibility for special settings.*

---

## IMPACT OF INCREASED TARGET GROUP ON THE INTEGRATION PROGRAM

**4.2.3** Analysis by audit of statistical data supplied by the Department disclosed that the Department was unable to satisfy all requests for integration resources. In 1991 the Department received 5 496 requests from students in the Program, and those wishing to join the Program, for resource assistance. However, resource assistance was not provided for 509 applicants.

**4.2.4** Parents of children with disabilities, eligible to join the Integration Program, whose applications for resource assistance had not been supported have 3 options for their child's education:

- (1) attendance at regular schools without adequate support;
- (2) attendance at segregated settings; or
- (3) opt out of the education system and maintain the child at home.

**4.2.5** The Department was unable to evaluate the impact of not being able to satisfy all requests for integration support as it did not maintain records of the whereabouts of those children who were unable to be resourced by the Department in the Integration Program.

**4.2.6** Audit found that the Department's ability to provide more resources for integration had been affected by the following factors:

- ▶ the anticipated level of redeployment of teachers as integration teachers has not occurred; and
- ▶ the anticipated level of transfer of students from segregated settings to regular schools and the subsequent transfer of resources has also not occurred.

### MANAGEMENT RESPONSE

*ALL requests for integration support resources are evaluated against eligibility criteria and instances in which students are not provided with integration resources usually arise from a failure to satisfy these criteria. DSE has placed the highest priority on resourcing the implementation of integration as endorsed by Minister Fordham in establishing the policy. This high level of priority has resulted in the dramatic growth of the Program over the period and the expenditure of more than \$203 million from 1984 - 1992. In 1992, 5,347 students are receiving integration support in 1 342 regular schools.*

## 4.3

# MANAGEMENT OF FINANCIAL RESOURCES

### BACKGROUND

**4.3.1** The Department of School Education did not maintain detailed information of actual expenditure incurred on the Integration and Special Education Programs during the period 1984-85 to 1990-91. As such information was not readily available, it was necessary for the Department, following a request by audit, to assemble the information from various records maintained throughout the Department.

#### *MANAGEMENT RESPONSE*

*DSE is very well aware of the resources applied to the Integration and Special Education Programs. Special awareness statements are prepared which, in the case of integration, track the trends in resources allocations. A table summarising these allocations was provided to audit and is included in the DSE response to 4.3.10.*

**4.3.2** Information provided showed that an amount of \$604 million had been expended over this period, of which \$141 million related to the Integration Program.

**4.3.3** However the reported expenditure does not include:

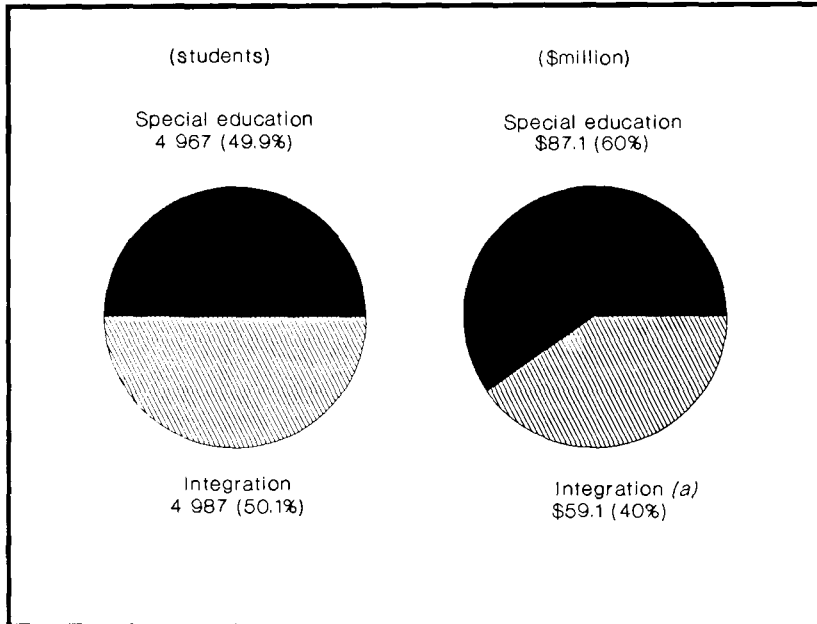
- ▶ costs which overlap between the 2 programs such as Visiting Teachers Services and Remedial Physical Education Centre costs;
- ▶ expenditure in relation to costs of senior administrators or central office staff; and
- ▶ the average cost of educating a child in the regular school system, which the Department advised was \$4 117 per student in 1990-91.

**4.3.4** The Department was not aware of the level of expenditure of a capital nature which had been incurred on the Integration Program.

**4.3.5** Chart 4.3A illustrates the number of students with disabilities and the cost of educating these students in 1990-91.



**CHART 4.3A  
NUMBER OF STUDENTS WITH DISABILITIES  
RECEIVING EDUCATION FUNDING, 1991  
and  
COST OF EDUCATION FOR STUDENTS WITH DISABILITIES, 1990-91**



(a) Includes regular school costs of \$4,117 per student.

**MANAGEMENT RESPONSE**

*DSE believes that in interpreting the second of the 2 pie charts it is important to bear in mind the large infra-structure costs which are required to maintain separated special settings. For the Integration Program the basic infrastructure costs are already in place. In considering the first pie chart the DSE statement made in relation to 2.2.13 needs to be kept in mind as audit has included all adult students in its special education cohort.*

**HOW IS THE INTEGRATION PROGRAM FINANCIALLY MANAGED?**

**4.3.6 To assist in the efficient allocation of resources and the assessment of program performance against program objectives, it is imperative for management to:**

- ▶ have complete and accurate cost information;
- ▶ ensure that an appropriate system to monitor the distribution of funds and actual expenditure is in place; and
- ▶ ensure that there is an appropriate accountability structure.

**4.3.7** Although the Integration Program is not a major departmental program, with expenditure of \$59.1 million in 1990-91 representing only 1.6 per cent of total departmental recurrent expenditure, it has, since its inception, become a major initiative of the Government's Social Justice Strategy.

**4.3.8** The audit found that the Department's ability to plan, monitor and control expenditure and to produce reliable, informative financial reports on the Integration Program was severely limited by the following factors.

### Budget information

**4.3.9** The Department was unable to provide details of budgeted expenditure on the Integration Program for the years 1984-85 to 1990-91 as an individual budget for the Integration Program was not prepared. Further, funds allocated to the Program were not identifiable within the overall budget prepared by the Department, nor were details maintained by the Integration Unit.

**4.3.10** By not preparing a budget for the Integration Program, the Department is unable to determine what financial resources are allocated to the Integration Program and to segments of the Program.

**4.3.11** This situation is contrary to a specific *Integration Report* recommendation that funding for integration projects be consolidated under a single sub-program.

### MANAGEMENT RESPONSE

*DSE is very well aware of the resources applied to the Integration and Special Education Programs. Special awareness statements are prepared which, in the case of integration, track the trends in resources allocations. A summary table was provided to audit during the course of its inquiries and is reproduced below.*

	INTEGRATION							Total
	(\$million)							
	84-85	85-86	86-87	87-88	88-89	89-90	90-91	
<i>Integration teachers</i>	1.3	3.9	5.7	7.7	10.6	13.8	15.7	58.7
<i>Integration aides</i>	2.1	4.2	6.8	9.4	12.5	17.5	20.8	73.3
<i>Paramedical support</i>	0	0.3	0.7	0.7	0.7	0.7	1.0	4.1
<i>Cwealth school commission</i>	0.2	0.4	0.4	0.4	0.4	0.4	0.4	2.6
<i>Youth Guarantee</i>	0	0.5	0	0	0	0	0	0.5
<i>Prof. development ISI</i>	0	0	0	0	0	0.2	0.4	0.6
<i>Education allowances</i>	0	0.1	0.1	0.2	0.2	0.3	0.3	1.2
<b>Total integration</b>	<b>3.6</b>	<b>9.4</b>	<b>13.7</b>	<b>18.4</b>	<b>24.4</b>	<b>32.9</b>	<b>38.6</b>	<b>141.0</b>

*DSE comments made below (4.3.17) are relevant in relation to this audit comment. Further, in 1987, and following a review of DSE program structures, Deloitte, Haskins and Sells, Management Consultants, commented as follows: "We do not recommend, either now or in the future, that the primary education sub-program and the post-primary education sub-program should be promoted to the level of separate programs. We recognise that this means that the School Education Program will remain very large. To facilitate planning and accountability for this Program, more emphasis should be given to components as the basic level of analysis and to sub-programs as the major level of aggregation [underlining added]. Having regard, again to issues of materiality, there seems no justification for the elevation of integration to a sub-program. The consultant's report clearly supported this view.*

**4.3.12** Audit found, however, that financial budgets are prepared by the Department in relation to the education of students with disabilities in segregated settings, as this has been designated a sub-program in the Special Education Program.

**MANAGEMENT RESPONSE**

*Special education has a sub-program status because it is a different form of provision from primary and post-primary education and is given a separate status in national data collections, including the Australian Education Council's National School Statistics Collection. This does not apply to integration as by definition, it is a part of both primary and post-primary education.*

**Financial data**

**4.3.13** As referred to in paragraph 4.3.2, information provided by the Department indicated that \$141 million and \$463 million had been expended on integration and special education, respectively, over the past 7 years.

**4.3.14** Analysis of the information supplied revealed that expenditure on the Integration Program is not accurate due to:

- ▶ calculating the cost of integration teachers (\$58.7 million) and integration aides (\$73.3 million) by multiplying the agreed effective full-time numbers by the respective average salary, rather than actual numbers employed;
- ▶ failing to include payroll tax, WorkCare and employee entitlements;
- ▶ failing to include transport charges for the transport of students; and
- ▶ including the expenditure of \$2.6 million of Commonwealth funds **twice** in the calculation.

**MANAGEMENT RESPONSE**

*DSE considers that reasons advanced by audit in support of the claim that there is some doubt about the accuracy of the Integration Program costs are irrelevant and/or immaterial. DSE agrees that it is not the practice to include "payroll tax, WorkCare and employee entitlements" in the costings of the Integration Program. It is also not the practice to record these on-costs across other DSE programs. DSE doubts that the practice has any foundation in the context of comparative program analysis, given that a uniform percentage of 14.15 per cent representing:*

<i>Holiday pay loading</i>	<i>1.35%</i>
<i>Long service leave</i>	<i>2.50%</i>
<i>Payroll tax</i>	<i>7.00%</i>
<i>WorkCare</i>	<i>3.30%</i>
	<i>14.15%</i>

*will apply to each of the programs under review.*

*DSE is also not aware of any statements from the Department of Finance that internal program costings of budget-dependent agencies should uniformly carry the on-cost of 14.15 per cent. In the circumstances, DSE does not accept that the omission of the 14.15 per cent on-cost breaches any current accounting requirements or misrepresents the cost of the Integration Program. The statement of integration outlays prepared by DSE for the years 1984-85 to 1990-91 included a Commonwealth Government funding component of \$2.6 million. This was represented by one annual amount of \$200 000 and 6 annual amounts of \$400 000, in total amounting to \$2.6 million or 1.8 per cent of the total program cost of \$141 million. DSE finds it difficult to accept that an accounting variation involving 1.8 per cent of total integration outlays constitutes a reasonable ground for criticising the overall financial management of the Program. Transport costs for students with disabilities, amounting to some \$11.8 million, are collected and monitored under a common expense code. More than 80 per cent of these costs are associated with the transport of students to special schools. The financial management of the Integration Program is not affected by the results of this practice.*

**4.3.15** The above observations indicate that the Department does not have accurate financial information on the cost of the Integration Program. **As a consequence, audit considers that the Department does not have valid information on which to make financial decisions, effectively forecast the future financial requirements of the Program and assess whether the implementation of the Program has been undertaken in an economical manner.**

**MANAGEMENT RESPONSE**

*DSE views outlined above in relation to 4.3.1, 4.3.10, 4.3.11, 4.3.12 and 4.3.14 and 4.3.17 prompt a further DSE opinion that this summary finding is not based on any substantive evidence.*

**4.3.16** As the current organisational structure does not provide a reporting relationship between schools, regions and central management, the Department's ability to effectively monitor the Program and establish appropriate lines of accountability and control is severely restricted.

**MANAGEMENT RESPONSE**

*DSE believes that clear lines of financial management and accountability exist within the Department, i.e. school principals are accountable to the General Managers (Schools) who are accountable to the Chief General Manager (in line with the Management Response to 4.1.5, 4.1.8, 4.1.9 [above]). At each of these 3 levels principals, General Managers and the Chief General Manager are required to meet formal certification requirements under the internal auditing procedures laid down within DSE.*

**4.3.17** The Department has indicated that consolidated recording of specific budget and expenditure details is not warranted because the Program expenditure is immaterial and that this approach is supported by external consultants.

**MANAGEMENT RESPONSE**

*DSE maintains budget information related to the Integration Program, maintains accurate financial data of Program expenditure, and has in place appropriate lines of accountability. With reference to audit comments on "materiality", DSE notes that financial reporting arrangements for a program of this size are consistent with the needs of users and are in full accordance with Australian Accounting Standards. In this regard, DSE notes that Australian Accounting Standard 5(12) states: "An amount which is equal to or less than 5 per cent of the appropriate base amount ought to be presumed to be immaterial unless there is evidence, or convincing argument to the contrary".*

*Audit findings are based on a particular view that the budgetary and financial control aspects of the Integration Program should be exercised at the sub-program level in the program budget structure. In practice, DSE records the costs of the Program at the sub-component or activity level where it is not common to define or control budgets in the same detail as may be warranted at a higher and more aggregated level of expenditure.*

*The recurrent cost of the Integration Program in 1990-91 was \$38.6 million which represented approximately 1.6 per cent of the total DSE recurrent costs amounting to some \$2 300 million.*

## HUMAN RESOURCES

### ROLE OF INTEGRATION TEACHERS AND AIDES

**4.4.1** The importance of the role of integration teachers in the Integration Program is illustrated by the fact that the then Minister accepted the need for the integration teacher to be a *tagged* position, i.e. advertised as a permanent staff position, wholly involved in the Integration Program and that the positions would be in addition to the staffing entitlements of schools involved in the Program. It was envisaged that integration teachers would have expertise in developing, implementing and evaluating teaching strategies both in the regular classroom and in the school, in collaboration with regular teachers. The *Integration Report* also emphasised the need for an integration teacher to possess:

- ▶ a knowledge of the effect of disability on the child's educational progress;
- ▶ an ability to systematically conceptualise aspects of educational processes; and
- ▶ administrative and co-ordination skills.

**4.4.2** The integration teacher position is a collaborative one, involving interaction with parents, the child, the regular classroom teacher, integration aides, the Integration Support Group, and with specialist paramedical staff and equipment where necessary.

**4.4.3** Duties envisaged for integration aides include responsibility for assisting students with disabilities with mobility, personal hygiene, communication, lesson preparation, intensive supervision, and paramedical and physical education sessions.

---

### IS THE INTEGRATION PROGRAM ADEQUATELY RESOURCED WITH INTEGRATION TEACHERS?

**4.4.4** An audit analysis of integration teacher numbers required in Victoria in 1991, based on the recommendations contained in the *Integration Report* (refer to paragraph 4.4.17 of this Report) indicated that the State should have employed 1 186 effective full-time (EFT) integration teachers in line with the enrolment numbers within individual schools at February 1991. In actual fact the State, in 1991, employed 620 integration teachers either on a full or part-time basis equating to only 442 EFT integration teachers, i.e. only 37 per cent of the projected number.

- 4.4.5** The Program is obviously severely under-resourced in that:
- ▶ of the 4 987 students on the Integration Program, 1 109 (22.2 per cent) do not receive integration teacher assistance; and
  - ▶ of the 1 284 schools with students with disabilities, 645 (50 per cent) do not have an allocated integration teacher on a part or full-time basis.

**4.4.6** As a consequence, considerable numbers of students with disabilities are currently not provided with the recommended level of human resources accepted by the Department of School Education as being necessary for successful integration into the regular school system.

*MANAGEMENT RESPONSE*

*The provision of integration teachers cannot be properly considered out of the context of the total provision of human resources which must include integration aides and paramedical support. The present mix of human resources provided by the Department is in response to the needs of students and schools. In 1992, the human resource allocation for integration included 507 integration teachers, 1 179.6 integration aides and paramedical support (\$1 177 200).*

---

**FACTORS AFFECTING THE NUMBER OF INTEGRATION TEACHERS AND THEIR ALLOCATION**

**Impact of industrial agreements**

*Background*

**4.4.7** The working conditions of all teachers, including integration teachers, are governed by:

- ▶ an award of the Industrial Relations Commission of Victoria; and
- ▶ staffing and conditions agreements between the Department of School Education, the Federated Teachers' Union of Victoria (FTUV) and the Victorian Secondary Teachers Association (VSTA).

**4.4.8** These agreements cover pupil/teacher ratios, professional development, contact hours and, at the primary level, the provision of integration aides.

**4.4.9** Currently, the unions have representation at 2 levels, namely:

- ▶ At the Ministerial level as a member of the Agreement Implementation Committee, which decides the State-wide number of post-primary integration teachers; and
- ▶ At the post-primary school level, on the Local Administrative Committee where the teacher unions have 2 representatives. This Committee's responsibilities include staffing allocations and class sizes.

**4.4.10** The potential impact of the existing industrial system upon the Department's ability to resource the Integration Program is detailed in the following paragraphs.

### *Integration teacher numbers*

**4.4.11** Currently, there are 3 industrial agreements covering teachers. The FTUV has negotiated 2 agreements with the Department covering primary, special and special developmental school staff as well as staff employed in schools formerly known as "technical schools". The third agreement is with the VSTA for post-primary staff in schools formerly known as "high schools".

**4.4.12** The Department maintains special needs teachers pools for both primary and post-primary sectors. These pools are used by the Department to resource a number of programs such as disadvantaged schools and English as a Second Language, and the Integration Program in post-primary schools.

**4.4.13** The actual numbers of post-primary teachers in the special needs pools is negotiated between the unions and the Department. The number of post-primary integration teachers to be provided annually from the special needs pools is decided by the Department.

**4.4.14** The allocation of integration teachers in primary schools is negotiated by a separate agreement between the union and the Department and in 1991 there was an allocation of 290.

**4.4.15** Audit established that although the post-primary special needs pool has been steadily increasing in size overall, in the last 2 years there has been no increase in the number of post-primary integration teachers (132) allocated from that pool. Audit was also advised by the Department that, although there is provision in the agreements to increase the size of the pool in the future, the expectations are that there will be no increase to the number of post-primary integration teachers allocated to the Program in the foreseeable future.

**4.4.16** The *Integration Report* emphasised that integration resource allocations should, to the greatest extent possible, be based on the actual needs of individual schools.

**4.4.17** However, the resource allocation processes described above are *quota*-based and neither is directly related to the population, distribution and specific needs of students with disabilities throughout the various schools, potentially leading to an inequitable and inadequate allocation of resources. The processes adopted can also prevent certain schools from receiving the minimum levels of support recommended in the *Integration Report*, namely:

- ▶ the appointment of an integration teacher to each school with more than 350 children and sharing integration teachers between schools with less than 350 children; and
- ▶ where a regular school enrolls at least 6 children from a segregated setting the school receive an extra integration teacher.



**4.4.18** The effect of the existing processes has led to a situation in 1991 where of the 1 284 State schools with students requiring integration teacher support, only 608 received an allocation equivalent to recommended levels. Another 31 schools received some support, although not in accordance with recommended levels. As such, 645 schools in which approximately 1 100 students with disabilities are enrolled do not receive any integration teacher support, predominantly as a result of the "quota" system.

#### MANAGEMENT RESPONSE

*The quota-based approach to resource allocation which has been widely used elsewhere by the Department, has proven to be an equitable starting point for a State-wide allocation process. However, the quota is only one component of the allocation. The allocation of integration teachers is made after priorities are decided by a process which involves applications by schools, regional recommendations, and the use of State-wide criteria. DSE processes, only partially described by audit in this section, represent the collaborative processes (required by policy) of targeting and allocating the best combination of human resources (integration teachers, integration aides and paramedical support) to schools and students.*

---

## QUALIFICATIONS OF INTEGRATION TEACHERS

**4.4.19** As previously indicated, the role and duties of an integration teacher requires a level of expertise in delivering educational programs to students with or without disabilities. A review of literature in relation to integration teacher roles indicated that an integration teacher should possess specialised skills and competency levels.

**4.4.20** The *Integration Report* supported the importance of specialised skills for an integration teacher by stating "To be able to serve effectively in this role ... the integration teacher should have qualified for the Graduate Diploma in Special Education, or its equivalent".

**4.4.21** An analysis undertaken by audit of the qualifications and experience of the State's 620 integration teachers compared with the relevant post-graduate qualifications as detailed in the *Education Gazette*, January 1991 revealed that:

- ▶ 69 per cent of integration teachers had no formal qualifications in special education or its equivalent;
- ▶ only 16 per cent of teachers (approximately 100) appointed to integration positions could be identified as having appropriate qualifications; and
- ▶ of the remaining teachers, the Department was unable to inform audit as to their qualifications.

**4.4.22** Further, the Department's *Integration Teacher Policy and Guidelines, 1991* makes no reference to mandatory or preferred qualifications in special education as criteria for employment. A student in a segregated setting has educational programs developed by staff with the required special education qualifications, however, the same student, if on the Integration Program, would only have a 1 in 6 chance of having an educational program developed by a qualified integration teacher.

#### **4.4.23 The failure of the Department to require mandatory qualifications in special education severely disadvantages students within the Integration Program.**

##### *MANAGEMENT RESPONSE*

*DSE does not accept audit's comments on the qualifications of integration teachers. DSE believes that the proposals on teacher qualifications put forward in the 1984 Integration Report were developed at a time when separate specialist qualifications and separate career paths were a prominent feature in education systems. Over the last 7 years pre-service and in-service teacher training have been broadened to allow for a multi-skilling approach, and career paths have been made more flexible. This has now become a requirement under the structural efficiency principle of the Industrial Relations Commission. Consequently, DSE believes that all teachers should be trained to teach all students within defined age limits and it is working closely with those responsible for pre-service training, as well as developing strategies with in-service training, to ensure that these programs give teachers access to the relevant skills to be able to teach in a range of areas. These moves are consistent with moves at the national level to develop generic competencies for teachers which stress the flexible use of teaching personnel and broader career paths. The current appointment process for integration teachers is consistent with these directions as it requires teachers to be able to demonstrate that they possess the appropriate combination of training, experience and competencies.*

---

#### **WHY IS THERE A LACK OF QUALIFIED TEACHERS IN THE INTEGRATION PROGRAM?**

**4.4.24** While overall in Victoria there is an adequate number of teachers qualified in special education, relatively few of these teachers are actively participating in the Integration Program. In audit view, factors which have contributed to this position were:

- ▶ a lack of an appropriate career structure;
- ▶ the end result, through study leave arrangements, of a disproportionate number of primary teachers with special education skills compared with the number of post-primary integration teachers with those skills; and
- ▶ the failure to take action to enable suitably qualified primary teachers to transfer to post-primary positions as integration teachers.

##### *MANAGEMENT RESPONSE*

*DSE considers that, by definition, the training, experience and competencies of all classroom teachers are as important for the success of the Integration Program as the training, experience and competencies of those teachers titled integration teachers. In this regard, DSE believes that audit is quite mistaken to suggest that it is only those teachers who are formally titled integration teachers who are participating in the Integration Program.*

**4.4.25** Detailed comment on these factors is provided in the following sections.

## Career structure

**4.4.26** The *Integration Report* recommended that the career structure for integration teachers and their level of appointment in schools be negotiated between the Department and teacher unions. However, audit established that negotiations between the Department and unions over career structures and level of appointment did not occur, nor were other *Report* recommendations relating to the need for career incentives adopted.

**4.4.27** The Department's failure to address the provision of incentives for teachers to move into integration teacher positions was evidenced by:

- ▶ Only one of 620 integration teachers was, at February 1991, employed in a tagged position;
- ▶ A lack of security for the remaining integration teacher positions as they are temporary positions and subject to reassessment every 12 months;
- ▶ The specialist capabilities and additional qualifications required of integration teachers are not recognised in teacher salary scales;
- ▶ The classification of integration teachers as assistants which is the lowest classification within the Department's teacher classification structure; and
- ▶ The Department's *Integration Teacher Policy and Guidelines, 1991* and union agreements requiring that, as a first option, each integration teacher position be filled by an existing teacher in that school, notwithstanding that the teacher may not have the necessary qualifications. Audit found that in the over-whelming majority of cases, the integration teacher position was, in fact, filled from within the school.

**4.4.28** Failure to provide an attractive career path for integration teachers within the Integration Program has acted as a disincentive for teachers to undertake such duties and impacts upon the Department's ability to adequately resource the Program.

### MANAGEMENT RESPONSE

*Audit has failed to recognise the development of a new flexible career structure within DSE, as previously outlined. This new structure which includes a whole new category of Advance Skills Teachers (AST), offers a range of career path opportunities to integration teachers (and to teachers working in other specialist areas) rather than locking them into a narrow specialist career path with few options. Audit comments on the filling of integration teacher positions are inaccurate. Appointment to the role of integration teacher is based on the ability to demonstrate the key selection criteria outlined in the appointment process.*

## Study leave

**4.4.29** The *Integration Report* identified, that in 1983, the State employed 1 785 teachers with qualifications in special education or its equivalent. However, only 45 of these teachers were in the post-primary sector, indicating a significant shortfall which needed to be addressed.

**4.4.30** Based on these findings, the *Integration Report* indicated that since the success of the Program depended on the continuing availability of an adequate number of skilled teachers to take on the role of integration teacher, the provision of study leave was essential to increase the qualifications of teachers, particularly in relation to post-primary teaching. The Minister subsequently accepted that priority for study leave allocations in this area should be given to applicants from post-primary schools.

**4.4.31** To address the above issue, the *Integration Report* recommended the annual allocation of 100 study leave awards of which 75 per cent were to be for full-time post-primary teachers.

**4.4.32** Over the 7 year period between 1985 and 1991 study leave awards for special education were granted to 912 teachers.

**4.4.33** Despite the number of study leave awards granted, the imbalance between qualified post-primary and primary teachers was exacerbated with only 143 study leave awards being granted to post-primary teachers over a 7 year period, as illustrated in Table 4.4A. This position will deteriorate further as a result of the 1992 teacher staffing agreements which make no provision for any study leave awards, irrespective of the nature of courses desired to be undertaken.

**TABLE 4.4A**  
**NUMBER OF PRIMARY AND POST-PRIMARY STUDY LEAVE AWARDS FOR SPECIAL EDUCATION (INTEGRATION)**

<i>Year</i>	<i>Primary</i>	<i>Post-primary</i>	<i>Total</i>
1985	137	27	164
1986	153	18	171
1987	172	27	199
1988	103	21	124
1989	119	17	136
1990	68	25	93
1991	17	8	25
Total actual awards	769	143	912
Recommended awards	175	525	700

#### MANAGEMENT RESPONSE

*While DSE acknowledges an imbalance it suggests that audit has not taken into account that all special school teachers are classified as primary teachers. This factor has to be taken into account when considering the figures above.*

**4.4.34** Details of expenditure on study leave for special education (integration) was not readily available from departmental records, but audit estimated that expenditure of \$14.5 million has been incurred by the Department over the period 1985 to 1991.

**4.4.35** Given that the intention of the provision of study leave was to encourage teachers to participate in the Integration Program which, as stated in paragraphs 4.4.5 and 4.4.6, is still under-resourced, the significant expenditure on study leave awards has not achieved the intended results in that:

- ▶ Of the State's 620 integration teachers who work either full or part-time in the Program, only 100 (as mentioned in paragraph 4.4.21) have formal qualifications in special education despite the fact that 912 teachers have now completed post-graduate qualifications in special education (integration), or inclusive curriculum through the provision of study leave in the 7 year period to 1991; and
- ▶ Although it was also the intention of the study leave program to redress the imbalance of qualified integration teachers in the primary and post-primary sectors this imbalance has been further exacerbated by the fact that the bulk of the study leave awards over the last 7 years have been granted to teachers in the primary sector.

**4.4.36** Until such time as the Department takes positive action to replace the 520 unqualified teachers in the Program with suitably qualified personnel who now possess a diploma in the area of special education, audit is of the opinion that the expenditure of \$14.5 million has not achieved its purpose and has largely been mis-directed.

#### MANAGEMENT RESPONSE

*There are no unqualified teachers involved in the Integration Program.*

*DSE believes that to characterise the teachers in the Program as unqualified is a major distortion of fact as well as a devaluing by audit of the qualifications, experience and capacity of Victorian teachers working in this area. Audit's position is based on a rigid definition of appropriate qualifications and an outdated assumption that teachers who have demonstrated appropriate experience and competencies cannot effectively undertake the role. As noted above (4.4.27) the current appointment of integration teachers is based upon the applicant's ability to satisfy clearly defined, competency based, selection criteria.*

#### **Ability of primary teachers qualified in special education to transfer to post-primary schools**

**4.4.37** The *Integration Report* recognised the need to increase the number of integration teachers in post-primary schools. One of the mechanisms to achieve this objective was that:

*"... the Ministry enter into negotiations with the post-primary teacher unions ... enabling the participation in post-primary education programs by primary trained teachers qualified in special education".*

**4.4.38** Audit established that negotiations had not occurred between the relevant bodies in relation to the transfer of primary trained teachers to the post-primary sector. In addition, audit was advised by a departmental member of the Teacher Registration Board that the Department had not raised with the Board the issue of granting post-primary teacher registration to primary trained teachers with acceptable special education qualifications.

**4.4.39** As a result of the above inaction, the reasons for which were not apparent to audit, no primary teachers with special education qualifications have transferred to post-primary schools.

**4.4.40** The Department needs to make a concerted effort to facilitate the employment, at the post-primary level, of suitably qualified primary teachers. Without this effort a significant program resource will remain under-utilised ensuring that existing integration teachers in the post-primary sector remain largely unqualified.

*MANAGEMENT RESPONSE*

*DSE rejects the notion that there are any unqualified secondary integration teachers. As noted above (4.4.28) the appointment of secondary integration teachers is based upon the applicant's ability to satisfy clearly defined, competency-based, selection criteria.*

**Pre-service training for prospective teachers**

**4.4.41** In addition to the above matters, the *Integration Report* stated that pre-service teacher education needed to provide appropriate *initial* training in special education to prospective teachers so as to familiarise them with the requirements of students with disabilities and the strategies required for successful integration.

**4.4.42** In addition, the *Integration Report* recommended that there be mandatory special education units of 84 hours and 45 hours in the Diploma of Teaching and Diploma of Education, respectively, and that by 1988 this be a pre-requisite for employment.

**4.4.43** Audit reviewed the course content of subjects offered at all the State teacher training institutions and found that while the topic of integration was included in subjects offered, the mandatory hours of instruction in special education for students with disabilities varied and did not reach the recommended levels. **In addition, the Department has failed to accredit proposed tertiary courses incorporating special education units of study and has failed to make the completion of such units a pre-requisite for employment of classroom teachers as recommended.**

**4.4.44** Despite the importance of the Integration Program to children with disabilities, the Department has not provided all teachers with the prescribed levels of pre-service training.

*MANAGEMENT RESPONSE*

*Formal responsibility for pre-service training vests with a number of independent institutions. DSE has worked consistently and co-operatively with the teacher training institutions in support of the development of pre and post-service training courses which support integration. Integration has become an intrinsic component of pre-service courses in Victoria, i.e.*

- (i) pervasive through the content of a range of education study areas, e.g. the "Education Studies" Unit in the Diploma of Teaching Course at Victoria University; and*
- (ii) as a specific subject, e.g. integration, education of students with disability.*

*DSE believes that the information provided by audit is deficient as it only relates to the second of the above 2 ways in which integration has become an intrinsic component of pre-service courses in Victoria.*

## HOW ARE SPECIALIST SKILLS MAINTAINED?

### Professional development for integration teachers

**4.4.45** Victoria was the first State in Australia to introduce integration in schools, thereby presenting teachers with challenges for which few were prepared. The provision of a structured professional development program providing information on current developments in teaching and current methods of instruction, evaluation and assessment was referred to in the *Integration Report* as essential to ensure integration teachers are equipped with up-to-date knowledge relevant to their role.

**4.4.46** The primary teacher agreement between the union and the Department specifically focuses on the allocation of additional teacher replacement days for teachers of children identified with disabilities. The allocation would enable such teachers to be provided with in-service training to meet the special needs of students. There are no such provisions in the post-primary teacher agreements for the Inclusive Schooling/Integration Program which has been designed to enable teachers to teach students with a wide range of abilities within the classroom.

#### MANAGEMENT RESPONSE

*The above paragraph contains an error of fact. The I.S.I. Program provides teacher release days to secondary as well as primary and Special Schools to assist their participation in the Program. This information was given in writing to audit.*

**4.4.47** Regional visits were conducted by audit to ascertain the extent and adequacy of professional development provided by the Department to integration teachers. **The audit visits highlighted that, in general, the professional development activities offered were not the structured programs envisaged but were little more than a series of network meetings and ad hoc visits by regional school support centre staff.**

#### MANAGEMENT RESPONSE

*DSE rejects this description of professional development programs. Regional reports to audit showed that regions were offering in-service in integration to between 60 per cent and 90 per cent of integration teachers and between 50 per cent and 80 per cent of aides annually. Evidence on both the content and participation in this professional development was provided to audit and can be verified.*

**4.4.48** School support centre staff provide specialist services to both students and teachers in areas such as counselling, curriculum, psychology and social work. The lack of support from the Department for professional development activities was evident in a number of areas, details of which are provided in the following paragraphs.

### Replacement teachers

**4.4.49** According to the *Integration Report*, in-service education for classroom teachers was meant to provide for programs dealing with identifying and providing the resources for coping with specific impairments and disabilities. To enable teachers to participate in such programs, the provision of relieving teachers was seen as a priority. Due mainly to funding constraints the temporary employment of relieving teachers was curtailed, thereby effectively limiting the ability of teachers to participate in in-service education.

### Provision of in-service days for professional development

**4.4.50** In recognition of restrictions on relieving teachers, the *Integration Report* recommended that schools allocate at least one curriculum day a year to an integration in-service program. Audit established that this recommendation was rarely put into effect as in-service days provided related mainly to common curriculum issues with little or no attention to integration material.

### Adequacy of courses conducted

**4.4.51** In some regions where integration courses were held they were conducted after hours by school support centres. Network meetings also provided a limited means of communicating integration issues. Audit established from visits to the various regions that there were large disparities between regions on the level and relevance of documented integration course material available. Of greater concern were the inconsistencies between regions on the level of support provided for integration professional development activities, including availability, content and duration of courses and skills of persons providing instruction. In addition, audit does not consider that support centre courses and network meetings are an adequate substitute for the comprehensive in-service training intended to be provided as recommended in the *Integration Report*.

**4.4.52** It is apparent that the Department has not developed appropriate policies and strategies to ensure that integration teachers and regular teachers who teach students with disabilities receive an adequate level of professional development. Such inaction will ultimately impact upon the quality of the education provided to participants in the Integration Program.

#### MANAGEMENT RESPONSE

*DSE believes that audit has misrepresented the level of activity in the professional development area and omitted the following initiatives, i.e.*

- (i) *State-wide in-service for new integration teachers conducted until 1990. Since 1990, because of the large number of integration teachers, workshops have been regionally-based.*
- (ii) *A book has been published as part of a post-primary professional development project to assist secondary colleges and teachers with integration in-service. The booklet was called THE INTEGRATION OF STUDENTS WITH DISABILITIES (Department of School Education, Victoria, 1990). This publication was made available to audit.*



- (iii) *The development of the Inclusive Schooling - Integration Program. This Program, which has received recognition as a key professional development program, was developed by professionals in the Victorian education system and teacher training institutions and representatives of the parent organisations. In 1991 and 1992, 16 per cent of Victorian schools will have participated in this Program. (I.S.I. Program, Department of School Education, Victoria, 1990.)*
- (iv) *A component of the I.S.I. Program has been the training of 200 leaders in all school districts in the State in the delivery of in-service in integration and the provision of 42 resource kits to support such in-service (books and audio visual materials).*
- (v) *Leadership training in the I.S.I. Program has been provided to both the Catholic Education Office and the Association of Independent Schools of Victoria. Both these groups will use this Program as professional development to support their Integration Programs.*
- (vi) *The development with parent organisations of a set of 9 videos accompanied by in-service outlines and discussion notes, to support integration in-service.*
- (vii) *Financial and consultancy support to the parent, school council and parent advocacy organisations in the provision of in-service in all regions.*

**4.4.53** Although not directly related to professional development of integration teachers, audit became aware of a survey undertaken by a Master of Education student at the University of Melbourne in 1991. The survey of 100 primary schools in the Eastern Metropolitan Region was intended to identify attitudes of teachers to integration.

**4.4.54** There were 170 respondents to the survey and 80.5 per cent advised that they had taught students with disabilities for more than one year. However, 74 per cent had no qualifications in special education, while 82 per cent indicated that they had received less than 5 hours of in-service professional development in special education. Approximately 58 per cent reported that they did not have an integration teacher from whom they could receive advice on integration processes. Only marginally more than half of the respondents had received assistance from school support centres or were provided with support from integration aides.

#### **MANAGEMENT RESPONSE**

*DSE understands that these comments are based on incomplete and unpublished research. DSE believes it is improper of audit to use this material as evidence in this Report.*

## INTEGRATION AIDES

### Allocation of integration aides to regions

**4.4.55** The *Integration Report* recommended that the number of integration aides to be appointed in schools was to be on the basis of the number and needs of the students who required special assistance.

**4.4.56** Audit established that despite the above recommendation aides are, in fact, allocated to regions according to the number of regular teachers in regions at that point of time. **Once an aide is allocated to a region they remain a permanent member of the region, e.g. in 1991 in the Eastern Metropolitan Region students receiving assistance fell by 17 per cent, however, the number of integration aides remained constant.**

**4.4.57** Audit found that there were even exceptions to the process of allocating aides to regions based on teacher numbers. Such exceptions arose as a result of the influence of external bodies (including parent groups) on program administrators. For example, the Department, in 1990, employed in the primary sector an extra 100 aides in excess of the number previously decided upon. The pressure exerted also caused the allocation formula to be over-ridden resulting in an extra 50 aides being allocated to the Eastern Metropolitan Region in 1990.

**4.4.58** **The allocation of aides on the basis of teacher numbers and pressure group influence rather than actual demands for assistance to students (as recommended in the Integration Report) gives rise to an inequitable distribution of resources.**

#### MANAGEMENT RESPONSE

*Aides are allocated, according to clearly defined State-wide criteria, through an open and accountable process of application by Integration Support Groups, on behalf of individual students, detailing the additional educational requirements of the student and the school. The formula used was merely the first stage in the division of available resources between regions. The current process focuses heavily on matching student needs to available resources in each region. This stage is followed by State-wide adjustments which ensure the best use of resources across the State.*

**4.4.59** Table 4.4B illustrates the variances in the distribution of aides in 1990 and 1991 by comparison with the students being assisted within each region.

**TABLE 4.4B**  
**INTEGRATION AIDE ALLOCATIONS TO REGIONS COMPARED WITH**  
**STUDENTS RECEIVING AIDE ASSISTANCE**

<i>Region</i>	<i>Number of integration aides</i>		<i>Number of students receiving integration aide assistance</i>		<i>Ratio</i>	
	1990	1991	1990	1991	1990	1991
Barwon South Western	78.3	80.1	467	454	5.96	5.67
Central Highlands Wimmera	48.0	54.5	152	184	3.17	3.38
Eastern Metropolitan	282.5	282.5	764	633	2.70	2.24
Gippsland	70.8	76.6	192	210	2.71	2.74
Goulburn North Eastern	64.3	70.3	191	216	2.97	3.07
Loddon-Campaspe Mallee	71.4	72.5	214	230	3.00	3.17
Southern Metropolitan	210.0	215.2	597	667	2.84	3.10
Western Metropolitan	251.5	260.1	863	875	3.43	3.36
<b>Total</b>	<b>1 076.8</b>	<b>1 111.8</b>	<b>3 440</b>	<b>3 469</b>		

**4.4.60** The effectiveness of the existing formula in providing for the equitable distribution of resources provided by teacher aides has not been evaluated by the Department.

**4.4.61** As a result of the allocation processes, students may not receive the level of resources needed to enable successful integration into a regular school. Parents of students with disabilities may therefore be denied their right of choice because children are:

- ▶ placed on delayed enrolment;
- ▶ referred to segregated settings;
- ▶ placed into regular schools which have insufficient support; or
- ▶ denied access to regular schools.

**4.4.62** After acknowledging the difficulties faced by the Department in ensuring the equitable distribution of resources on a State-wide basis, there still remains scope for the Department to review the existing allocation process of integration aides in order to support the effective implementation of the Government's Integration Program.

### **Inconsistent allocation of aide resources**

**4.4.63** The resource allocation processes adopted by the Department, in conjunction with a lack of monitoring by central management, has led to the above anomalies and allowed the level of resources provided to students to differ between regions.

**4.4.64** Audit observed that:

- ▶ Some regions will fully meet the assigned aide time to eligible students until such time as the region's total resource allocation is exhausted. Adopting this method of resource allocation can result in some eligible students missing out altogether once funds run out; and
- ▶ Other regions will give all eligible students a fraction of their assigned aide time until the region exhausts its total allocation. As a consequence, although every eligible student within the region may receive some assistance, each student might not receive the level of resources necessary to meet its needs.

**4.4.65** The anomalies between regions in allocating resources provided by the Department leads to the level of assistance provided to each eligible student, and the chances of the student receiving aide support, becoming dependant entirely upon the region in which the student is located. This unsatisfactory situation has been compounded by the lack of central direction from the Department as to the most equitable means of allocating resources available within each region.

#### *MANAGEMENT RESPONSE*

*DSE acknowledges that there have been some imbalances in the allocation of resources to regions but it has taken action over the last 2 years to redress this imbalance.*

*Despite these imbalances DSE believes the use of State-wide processes and criteria ensure a high level of equity in the resource allocation to individual students and it suggests that audit greatly overstates its case when it suggests that resource allocation "is entirely dependent on the region in which the student is located".*

### **Allocation of aides by regions to individuals**

**4.4.66** Audit found that, contrary to the guiding principle, that "*resources ... should to the greatest extent possible, be school-based*", **integration aides are allocated to the individual child.** The only school-based resource is the integration teacher.

**4.4.67** Audit was advised by the Department that this deviation in resource allocation arose due to pressure exerted by parent groups who were concerned that students were not receiving adequate resources according to individual needs.

**4.4.68** The Integration Unit's draft strategic plan suggests a move away from child-based resources towards school-based resources. The plan indicates that schools would be more responsible for the delivery of the Integration Program, leading to a more efficient use of resources. Audit observed that one region had already pre-empted this move by applying school-based allocations for integration aides.

**4.4.69** The recommendations contained within the Integration Report and the recent draft strategic plan in relation to ensuring that resources, including integration aides, should be school-based where possible, need to be implemented without further delay on account of the deficiencies existing within the current resource allocation processes.

#### **Training of integration aides**

**4.4.70** The *Integration Report* envisaged the provision of suitable professional development courses so that integration aides maintained up-to-date knowledge relevant to their roles.

**4.4.71** The *Integration Report* stated that "... *integration aides should not be required to have any formal qualifications, instead, their training needs should be met through appropriate in-service programs provided within the school of employment but resourced where necessary by the regions*".

**4.4.72** Visits by audit to all departmental regional offices revealed that the provision of appropriate in-service courses for integration aides had been neglected by 7 of the 8 regions. A difficulty currently encountered by regions is the shortage of qualified integration teachers to provide support and instruction to aides in supporting students with disabilities. As a consequence, many aides will not be adequately trained to provide an appropriate level of service and care to students on the Integration Program.

**4.4.73** Given the importance of aides in assisting with the education of students with disabilities it is essential that the Department ensures that they receive appropriate training.

#### **MANAGEMENT RESPONSE**

*All DSE regions provide regular in-service for integration aides and assistance to aides from appropriate professionals in their work with individual students. This information has been provided to audit and can be verified. It is a condition of the employment of integration aides (integration) and teacher aides (special education) that in their work with individual students they are always under the supervision of a professional in the particular area, e.g. classroom teacher, integration teacher, physiotherapist. Audit has ignored the impact of this system in the skilling of integration aides.*

## MANAGEMENT INFORMATION SYSTEMS

### ADEQUACY OF MANAGEMENT INFORMATION SYSTEM FOR DECISION-MAKING

**4.5.1** The *Integration Report* recognised the need for a management information system that would provide the Department of School Education with the information necessary to monitor the levels and quality of service provision.

**4.5.2** For a management information system to be effective in providing the necessary data for monitoring and evaluating the progress of programs for informed decision-making, the following characteristics are considered essential:

- ▶ that data be complete, accurate, current, in a suitable format and be evaluated in a timely manner;
- ▶ the integrity of the data be preserved through adequate security controls; and
- ▶ that information systems be adequately documented and properly maintained.

**4.5.3** Since 1985 there have been 3 abortive attempts by the Department to develop a management information system to meet the needs of both central and regional management.

**4.5.4** The latest system, which was developed in 1988, was found by audit to be deficient in that:

- ▶ important data relating to the years 1985 to 1987 and 1990 was missing;
- ▶ the nature of data collected between the years was inconsistent;
- ▶ inconsistencies within the system had not been investigated, e.g:
  - students described as being "*ineligible*" were recorded as having teacher resources allocated; and
  - students were recorded on the system as having received resources although the system did not contain a request for such resources;
- ▶ information recorded was found, in many instances, to be inappropriate for user needs; and
- ▶ the integrity of the data was questionable in that security controls over access to, and updating of, the database were found to be seriously inadequate.

**MANAGEMENT RESPONSE**

*The integration database developed in 1988 worked efficiently for the first 2 years of its operation but was then outstripped by the rapid growth of the Program. DSE acknowledges the problems in its data collection and recognised the need to take action in this area during 1991. DSE has commenced the development of a Corporate Integration and Special Education Computer System which will satisfy both regional and State-wide data and management requirements. It is anticipated that this system will be functional in time for the 1992 funding round.*

**4.5.5** As a result of the central management information system not meeting the needs of the regional users, one region had developed its own information system, including the purchase of stand-alone computer hardware and computer software. It is understood that a number of other regions are also adopting this strategy. Regions which continue to use the central management information system have found it necessary to supplement their information needs through manual records. However, audit established that much of the supplementary data maintained by regions was not suitable for evaluating program effectiveness.

**4.5.6** Audit was unable to ascertain the total cost of establishing the central databases. However, it is apparent that substantial waste has occurred due to the inadequacies of the central database as identified above and that additional expense has been incurred by regions establishing their own systems in an attempt to meet their information needs.

**4.5.7** The failure of the management information systems to adequately provide for management needs can largely be attributed to the Department providing insufficient direction on what information was to be produced, mechanisms for producing it and how the information was to be utilised.

**4.5.8** In the absence of appropriate measures to ensure that management is provided with critical information for decision-making, it is likely that the Program will continue to lose direction. Misuse of resources may also occur with prime program objectives not being fully achieved to the detriment of education of children with disabilities.

**MANAGEMENT RESPONSE**

*DSE rejects the notion that current management information systems do not provide management with critical information for decision-making or that the Program has lost direction.*

*In addition to the database, information to make critical decisions is drawn from a number of sources:*

- (i) Centrally-held records which provide resource allocation records over all the years of the Program operation;*
- (ii) Statistical returns from regions which provide information either from their database or other sources, e.g. student information from application forms, resource requirements, student number estimates;*

- (iii) Monthly meetings of the Integration and Special Education Working Party provides a range of operational information from senior regional officers with responsibility for integration and special education, e.g. regional implementation issues, consumer satisfaction from such sources as Regional Integration Committees and School Support Centres;*
- (iv) Monthly meetings of the Integration Reference Group which provide important information, particularly from parent organisations and teacher unions, e.g. consumer satisfaction, implementation at the school level, operation of the official procedures, school and teacher-related issues. In addition, this Group through its member organisations surveys particular areas, e.g. the role of the integration teacher (1989);*
- (v) Information Technology Section which provides information when required of a statistical nature, e.g. student numbers, enrolment figures, student transfers etc; and*
- (vi) Resource Management Division provides financial information related to the planning and budgeting process, e.g. teacher numbers and location, costing for additional resources, other financial estimates.*



## PROGRAM PERFORMANCE

### PERFORMANCE MEASURES

**4.6.1** The *Integration Report* articulated the need for program evaluation by stating "the Government's initiatives on Program Budgeting should assist with the evaluation of such programs and their relevance to integration".

**4.6.2** Performance measures are critical to the monitoring and evaluation of programs and any other activity which utilises resources and has expected outcomes. Management needs these measures to adequately monitor and assess its achievements in relation to identified goals and objectives.

**4.6.3** The *Integration Report* also articulated the following aims and objectives to be used to steer the Integration Program:

- ▶ an increase in the number of children on the Program;
- ▶ integration would become the preferred option in that a transfer of children from special settings to regular schools would occur;
- ▶ an increase in parental participation in the collaborative decision-making process;
- ▶ retention of children with disabilities in the regular school system;
- ▶ a transfer of resources, including teachers from segregated settings to regular schools; and
- ▶ that children will benefit socially and educationally.

#### MANAGEMENT RESPONSE

*The objective of the Integration Program, as established in government policy, is that the participation of students with disabilities in the social and educational life of regular schools be increased and maintained at a rate determined by parental choice (Integration in Victorian Education, report of the Ministerial Review of Educational Services for the Disabled, Department of School Education, Victoria, 1984; Memorandum, R. Fordham, Minister of Education, 1984; Memorandum, I. Cathie, Minister for Education, 1985).*

*The performance measures used by DSE, as specifically relating to the Integration Program, can be traced directly to the above and have been successfully accomplished, i.e.*

- *A continued increase in the number of students on the Integration Program from 500 (1985) to 5 347 (1992) and a 43.5 per cent decrease in the number of school-age students in special schools (1992) (after discounting the transfer by 1992 of 658 school-age students from CSV with the Day Training Centres and from the Spastic Society).*
- *The introduction of Integration Programs in 1 342 schools (69 per cent).*

- *The implementation of a program designed to assist schools to develop effective curriculum which includes students with disabilities within the Programs and social life of regular schools (16 per cent of schools in 1991 - 1992).*

**4.6.4** Audit has accepted the aims and objectives as the criteria against which the actual performance of the Program should be assessed. However, while measurement of program performance against the above criteria is relevant, audit found that **there were no measures in place to evaluate the extent of consumer satisfaction, i.e. whether the Program was meeting the expectations of parents and students.**

**4.6.5** Senior management of the Department informed audit that it uses the following 3 performance measures to assess the success or otherwise of the Program:

- ▶ number of schools participating in the Program;
- ▶ number of students on the Program; and
- ▶ the level of expenditure on the Program.

#### MANAGEMENT RESPONSE

*The key indicator of consumer satisfaction is choice in a situation where 2 options are freely available, i.e.*

- Between 1984 and 1992, the number of families choosing integration has grown 0 to 5 000, i.e. >900 per cent;*
- The number of school-age students in special schools has effectively decreased by 43.5 per cent and the enrolment rate in special schools has decreased by 22.2 per cent (after discounting the DTC transfer).*

*DSE monitors consumer satisfaction in an on-going way in order to respond and improve program performance and educational outcomes, i.e. parents of students in special and regular schools are provided with full information on their children's program and progress and offered the opportunity to express satisfaction or concerns through the assessment and reporting process, obligatory for all schools. The policy of parental choice offers these parents the opportunity to choose which system offers the best opportunities for their children.*

**4.6.6** Based on these performance measures the Department considers the Program has been successful in that:

- ▶ the number of schools participating in the Program had reached to 1 200 by 1991;
- ▶ between 1984 and 1991 the number of students on the Program increased from 500 to 5 000; and
- ▶ by 30 June 1991 the Department reported total recurrent expenditure on the Program since its inception of \$141 million.

**4.6.7** The Department also collects certain information on the progress of children on the Program through:

- ▶ informal network meetings between the integration teacher, the classroom teacher, the principal and professionals at the school support centre; and

- ▶ the Integration Support Group as part of the resource allocation process which is central to the Department's current monitoring role under its devolved system of management responsibility.

**4.6.8** In addition, the Department claims to have succeeded in:

- ▶ establishing a collaborative decision-making process at the school, regional and central levels;
- ▶ increasing the school community awareness;
- ▶ providing parents with a choice by running 2 systems of education for students with disabilities; and
- ▶ developing the Inclusive Schooling Integration Program, introduced in 1989.

**4.6.9** While the Department considers that its performance measures demonstrate that the key objectives of the Program have been met, audit is of the view that the simplistic quantitative measures referred to in paragraph 4.6.5 do not provide a broad enough basis to assess whether the Program is improving the quality of education received by the students and their social participation in the community.

#### MANAGEMENT RESPONSE

*DSE rejects the notion that the quantitative performance measures used by DSE are in any sense simplistic or without validity since they provide solid factual evidence of the Program's achievements. As noted above (4.6.3) these performance measures used by DSE are based on the objectives of the Integration Program.*

**4.6.10** The Department has advised audit that the above situation will be addressed with the recent release of a State-wide system for assessing and reporting to parents the progress of students including those with disabilities. While the difficulty in developing appropriate performance measures relevant to educational and social outcomes is acknowledged, audit considers that as a minimum the Department should utilise the new system to obtain performance information in relation to:

- ▶ educational achievements of children participating in the Program;
- ▶ access and success as articulated in the Department's Social Justice Framework of which integration is a major program;
- ▶ social benefits to students in the Program compared with benefits they may have obtained from alternative schooling;
- ▶ retention rates of students with disabilities in regular schools and reasons why students have left the Program permanently or transferred to segregated settings;
- ▶ whether the Program is meeting the expectations of parents, students, teachers and teacher-aides; and
- ▶ levels of disabilities, e.g. mild, moderate or severe intellectual or physical disabilities of students receiving resources, and their progress in the Program.

**MANAGEMENT RESPONSE**

*DSE agrees that the first 5 indicators will be invaluable in assessing the performance of programs for students with disabilities. These are not all policy objectives of the Integration Program, however. The difficulty of obtaining meaningful information on these indicators should not be underestimated. Victoria is the leading state in Australia in developing educational reporting to monitor major groups identified in the Social Justice Frameworks. However, the group of students with disabilities is a very diverse group and in some aspects of learning it is extremely difficult to make comparable assessments. The final indicator would require DSE to depart from policy.*

**4.6.11 Notwithstanding the number of students with disabilities integrated into regular schools, audit considers that in the absence of critical performance information in relation to the above outcomes, the Department has not been able to adequately assess the effectiveness of the Integration Program over its 7 year duration.**

**MANAGEMENT RESPONSE**

*DSE believes that the Integration Program has achieved considerable success and is widely recognised nationally and internationally.*

**4.6.12** To illustrate the above issue, audit developed and distributed to all regions, a questionnaire designed to ascertain the performance of the Program, particularly in relation to:

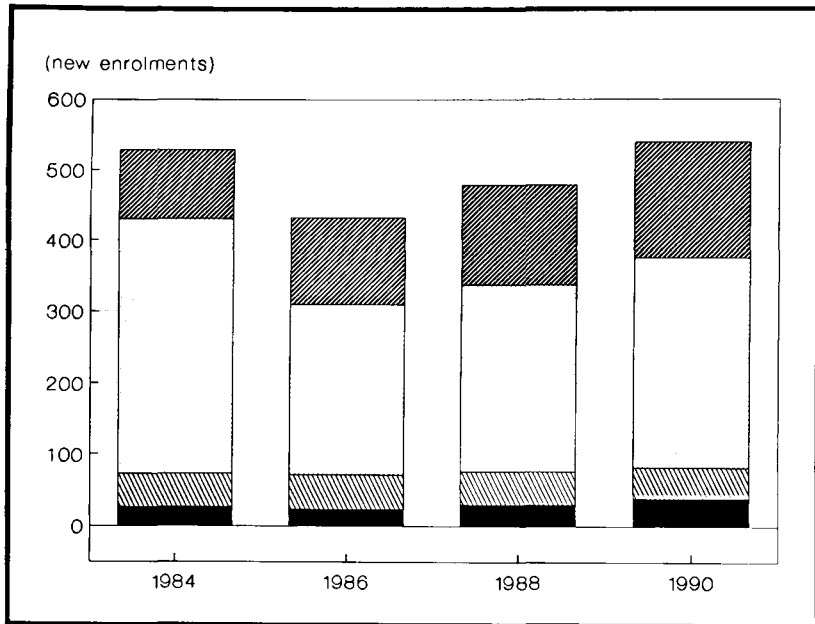
- ▶ whether, as intended in the Program objectives, integration into regular schools as opposed to segregated settings has become the preferred option of parents;
- ▶ why students leave the Program;
- ▶ level of parent satisfaction with the Program; and
- ▶ whether targeted groups are receiving the resources intended.

**4.6.13** Audit analysis of the responses to the questionnaire highlighted a number of areas where the Integration Program has not been entirely successful, as outlined below.





**Integration has not become the preferred option of parents**

**4.6.14** The number of new enrolments at schools for the moderately, severely or profoundly intellectually disabled (Special Developmental Schools), and schools for the mildly intellectually disabled, physically disabled and the hearing impaired (Special Schools) are illustrated in Chart 4.6A. The chart clearly illustrates that after the Integration Program commenced in 1984 enrolments in segregated settings initially declined by 18 per cent in the first year but have steadily increased since 1986. **Therefore, if integration of children with disabilities into regular schools was to become the preferred option of parents, then the Integration Program has not been entirely successful in achieving this aim, as new enrolments in segregated settings for 1990 were higher than in 1984.**

**CHART 4.6A. NEW ENROLMENTS IN SEGREGATED SETTINGS**



**KEY:**

-  - Moderate/severely intellectually disabled
-  - Mildly intellectually disabled
-  - Hearing impaired
-  - Physically disabled

*Note:* Data only includes new enrolments in the 32 training centres transferred to the Department after the date of transfer.

**MANAGEMENT RESPONSE**

*Audit did not count the total enrolments of each day training centre as new enrolments in the year of transfer but it then added the new enrolments at those schools into the next years total for the following years. As a result of this, audit is comparing the new enrolments in a total of 49 schools in 1990 with the new enrolments in 24 schools in 1984. This makes the chart quite meaningless and any conclusions invalid. In relation to the group called Moderate/severely intellectually disabled, the 1984 column represents 24 schools with an average of 4 enrolments per school while the 1990 column represents 49 schools with an average enrolment of 3.3 per school, i.e. a decrease rate of .7 per school or 17.5 per cent.*

Year	Number of schools mod./sev. int. dis.	Total new enrolments	Average new enrolments per school
1984	24	98	4
1990	49	164	3.3

*If these figures replace the incorrectly calculated figures provided by audit the comparable total new enrolments for 1990 equals 411 and the total percentage change from 1984 is a 22.2 per cent decrease.*

**4.6.15** The increase in the number of moderate/severely intellectually disabled enrolments (68 per cent) since 1984 indicates that parents of these students evidently consider that their children are best catered for in segregated settings.

#### MANAGEMENT RESPONSE

*As noted above (4.6.14) the enrolment rate at schools for students with moderate/severe intellectual disability actually decreased over this period.*

**4.6.16** In addition, responses to the questionnaire prepared by audit showed that during those years less than 3 per cent of students in segregated settings transferred annually to regular schools, indicating that the Program was not successful in attracting students from segregated settings.

### Consumer satisfaction

**4.6.17** As the Department does not survey parent attitudes as a performance indicator for the Program, audit reviewed several independent studies which included views from a sample of parents with children in the Integration Program. The studies disclosed that the majority of parents in the sample were dissatisfied with the Program. Reasons included a lack of funding for integration teachers and paramedical support, inadequate training of participating staff and lack of appropriate curriculum for students.

#### MANAGEMENT RESPONSE

*DSE understands from audit that the research quoted in here was sourced to Des Pickering and Elizabeth Dickens of the Faculty of Special Education and Disability Studies at Victoria College. DSE views with concern the use by audit of the research document cited for the following reasons:*

- (i) *The serious oversight, not acknowledged in this research document, that the parent response rate from a very small sample was a mere 33.06 per cent (p. 104). Given this substantial non-response bias and consequent lack of representativeness, any implicit or explicit claims of being able to generalise these findings to the views of parents of students attending schools in Eastern Metropolitan Region (let alone the whole State) are spurious;*
- (ii) *Major sampling weaknesses are compounded by poor quality of reporting, e.g. the style of reporting involves use of absolute numbers without commenting on the relative significance of observations; and*

(iii) *These limitations (in research design) place in question the reported data analyses and conclusions or inferences drawn from the findings.*

*In view of these problems with the study, and the evidence of an increase of parents choosing integration and the decrease in the number of school-age students in special schools, audit's conclusion is unsubstantiated.*

**4.6.18** The level of dis-satisfaction with the Program can be linked to the number of students who have left the Program. The audit questionnaire identified that of the 1 036 students who received integration resources for the first time in 1990, 305 of these students (30 per cent) left the Program in 1991. Although natural attrition was a factor influencing the drop-out rate, the attrition rate of students on the Program was far higher than normal rates of attrition in regular schools.

**4.6.19** Audit expected that the Department would have analysed reasons for students leaving the Program in order that any weaknesses in the Program could have been addressed. No such analysis was undertaken by the Department and, therefore, it was unable to establish whether students who had left the Program had:

- ▶ returned to segregated settings;
- ▶ remained in the regular school system;
- ▶ continued on to further education; or
- ▶ completed their schooling.

#### MANAGEMENT RESPONSE

*In response to audit concerns DSE has investigated this issue and extracted the following information. Nine per cent of the students who received any type of integration resources in 1991 are not being resourced in 1992 (474 students). Only 2.6 per cent out of the 9 per cent figure returned to special schools full-time (129 students) while another 1.5 per cent (76 students) moved on to further education or joined the workforce.*

---

## IMPACT OF NON-CATEGORISATION ON PERFORMANCE MEASUREMENT

**4.6.20** The rationale provided by the Department for not specifically isolating and reporting total Integration Program costs was the second guiding principle of the *Integration Report* which was non-categorisation by disability. The Department's rigid application of this principle prevented the monitoring of actual costs, as this would require the categorisation of the recipients of the funds.

#### MANAGEMENT RESPONSE

*DSE believes that, integration costs have been isolated, totalled and monitored. Consequently, DSE would not have provided a rationale for not monitoring costs, as claimed by audit.*

**4.6.21** As a result, the Department does not maintain comprehensive data on:

- ▶ the number of students on the Integration Program in the individual schools;
- ▶ the degree and types of disabilities;
- ▶ the extent and cost of resources, including integration teachers and aides, that are allocated to the individual schools; and
- ▶ the educational outcomes of participating students.

**4.6.22** Certain aspects of the above data are maintained within regions, and although it is not required for official purposes, the data was found to be fragmented and inconsistent between departmental regions.

**4.6.23** As a result of the Department's outlook, it is not possible to effectively judge the performance of the Integration Program, i.e. whether:

- ▶ resource allocations are being made on an equitable basis between departmental regions and individual schools;
- ▶ resource allocations are targeted at areas of greatest need;
- ▶ the levels of resources provided address varying level of disabilities; and
- ▶ students are benefiting significantly, socially and educationally from resources provided.

**4.6.24** The Department needs to reassess the appropriateness of its position on non-categorisation of students with disabilities which has led to a lack of comprehensive data for performance evaluation. Such data is essential in view of the Department's obligation to ensure that public resources are being applied in the most cost-effective and efficient manner for the ultimate benefit of students on the Integration Program.

*MANAGEMENT RESPONSE*

*DSE notes that audit is recommending a major change of policy in this area.*