

AGENDA 9.1

Report: Lutheran Education Australia

MEMBERS

Thomas Bohmert, Debbie Bennett (LEVNT nominee), Shiron Dixon (resigned June 2021) (LEQ nominee), Brett Hausler (chairperson), Neville Highett (retired April 2020), Lester Saegenschnitter (retired December 2020) (LESNW nominee), Jeremy Smith (appointed October 2020), Heather Vogt (appointed May 2021) (LESNW nominee), Susan Wood (retiring at 2021 synod). We gratefully thank all former Directors for their service.

Consultants: Lisa Schmidt (LEA), Julian Denholm (LEVNT), Dennis Mulherin (LEQ), John Proeve (LESNW)

We thankfully acknowledge the faithful and committed service of Joan Scriven to Lutheran education over 24 years. During this time she served as Personal Assistant to three Executive Directors of Lutheran Education Australia.

BACKGROUND

Through the office of LEA, and in collaboration with the three Lutheran Education regions, BLEA serves to set strategic direction for a national Lutheran education sector in providing a world-class Christian education guided by the theology of the LCANZ, with Christ at its centre. The principle object of BLEA is to set strategic direction and establish the overall policy environment for the schools ('school' here means any school or early childhood education and care service of the Church) of the church by:

- Providing strategic leadership and support for the schools of the Church in those matters designated as national areas of responsibility as agreed from time to time;
- Promoting Lutheran schools as agencies of Christian education;
- Upholding and safeguarding the confessional teachings of the Lutheran Church of Australia, especially as these relate to the nature, purpose and program of schools;
- Setting strategic direction and policy for Lutheran education, including
 - Establishing risk policies;
 - Establishing policies for formation, leadership succession and development;
- Promoting, supporting and ensuring the implementation of approved policy and associated procedures in the schools, working through regional structures;
- Representing Lutheran schools and regions nationally to the Church, its departments, committees and auxiliaries, and to Australian Lutheran College;
- Researching, making approaches, representing and acting on behalf of regions and schools in relation to the Commonwealth government, its departments and government authorities and political parties, responding to Commonwealth government directives and initiatives relating to education and associated matters, and providing representation to national educational bodies where strategic and appropriate;
- Developing co-operative working relationships with other sectors of education at national level;
- Approving the establishment of new schools and change in function of existing Lutheran schools in consultation with the regions;
- Developing, coordinating and evaluating the national curriculum in Christian Studies for Lutheran schools, developing resources for, and promoting and supporting the implementation of the Christian Studies curriculum in schools through regional authorities and/or officers;

- Ensuring that recruitment and staffing strategies, and leadership development programs are in place to meet the needs of Lutheran schools, that accreditation requirements in accordance with policies of the Church are implemented, and that a staff database is maintained and national conferences convened to promote the welfare of those who work in Lutheran schools;
- Undertaking, developing and maintaining key relationships with international Lutheran schools and education systems, considering compatibility with the Church's international relationships and programs, and the global focus of Lutheran schools;
- Strengthening the Lutheran identity of Lutheran schools;
- Enhancing culture (including facilitating and driving greater collaboration across the Lutheran education body);
- Being the liaison and service point for national agreements and contracts for services shared by schools;
- Administering funds for the benefit of member schools of that fund, including
 - Sick Leave Emergency Fund - Provide reimbursement to schools for sick leave taken in excess of 15 days in a year
 - Lutheran Educators Transfer Fund - Provide assistance with the relocation costs of teachers to a Lutheran school
 - Special Transfer Fund - Provide assistance for some costs for teachers relocating to remote Lutheran schools
 - Safe Schools Liability Fund - Provide assistance with salary costs during the period of a sexual abuse investigation against a teacher; and
- Undertaking other activities related to those matters designated as national areas of responsibility or as agreed with the regions.

COVID-19 IMPACTS

Thank you to all the staff, governors, students and communities across Australia who have gone above and beyond to provide continuity of education and pastoral care for the children and young adults in their care. The effort has been outstanding but we are aware that this has come at a cost and staff and student fatigue and mental health are risks to monitor.

I lift up my eyes to the hills—from where will my help come? My help comes from the LORD, who made heaven and earth. [Psalm 121:1,2 NRSV]

As discussed in the pandemic-themed issue of the Lutheran Theological Journal (LTJ), we were reminded of areas of social and educational disadvantage such as access to high-speed internet and parental support suited to remote learning. Most schools in Lutheran education are situated in low to middle income areas and two of our schools are remote majority-Indigenous schools. See the LTJ for further observations: <https://e-resources.alc.edu.au/Pages/church-in-a-post-COVID-19-world.aspx>

One example of LEA's actions to support schools during the pandemic was the Executive Director and Business Manager meeting with senior leaders in the Australian Tax Office (ATO) and also with the Independent schools sector to discuss JobKeeper eligibility for non-government schools. The meeting with the ATO helped the ATO to clarify the regulations regarding JobKeeper and informed an LEA ethical discussion paper developed in collaboration with the regional executive directors to provide guidance to schools considering applying for JobKeeper.

LEA was required to postpone some projects due to the ongoing disruption to the education sector as a consequence of the pandemic. This had a direct impact on the ability of the entire national Lutheran education community to engage consistently. The Quality Schools survey was

cancelled as it would not have delivered valid and reliable feedback during the pandemic and LEA absorbed the \$58,000 cost that would normally have been charged to schools. The Australian Conference on Lutheran Education (ACLE) was postponed to 2022.

COVID-19 restrictions have required all to become creative and flexible in their approach to solving every day and ongoing issues at short notice. This has enabled opportunities to be explored and developed that would not have otherwise occurred. Many of these new efficiencies will continue in a mix of a face-to face / virtual engagement.

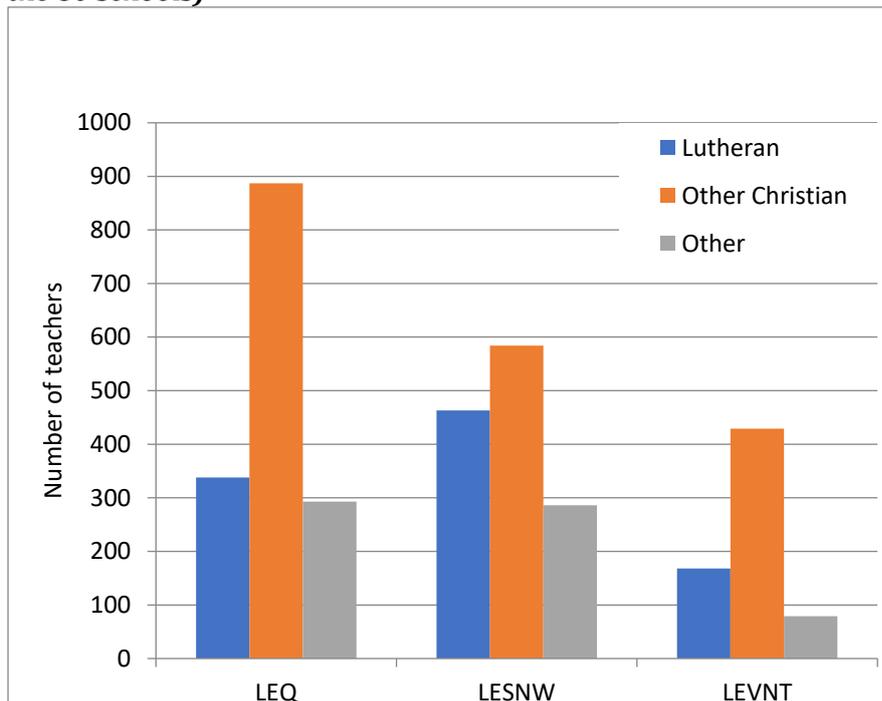
- Staff connected more purposefully during times when they were working in isolation but were still connected on-line, facilitating greater efficiencies and synergies.
- Leadership development offerings proceeded on-line and expanded the pool of participants as well as allowing access to world-wide, high-quality programs. Activities such as LEARNING circles - which are like a book club on leadership - were run in conjunction with Australian Lutheran College (ALC).
- The re-invigoration of eLibrary resources and support for flexible delivery of worship, devotions, Christian Studies, service learning and pastoral care also occurred.
- Financial modelling and contingencies were enacted to help ensure the viability of Sick Leave Emergency Fund (SLEF) for schools with potential additional COVID-related claims.

STATISTICAL REPORT

One of the roles of LEA is to collate an annual statistical report to the church and agencies. These are available on the LEA website at <http://www.lutheran.edu.au/publications-policies/online-publications/lea-statistical-reports/>. Delegates are encouraged to read this report for a deeper understanding of the trends in Lutheran education.

The many dedicated and passionate staff in Lutheran schools and early childhood services carry the identity and culture of Lutheran education. Figure 1 below shows the proportion of school teaching staff who self-report as Lutheran, other Christian or other. This illustrates the range across the regions but of course there is variability within regions as well. The school with the highest has 83% Lutheran teachers while the school with the lowest has 6% (n.b. one school has not provided data to Lutheran Education Queensland (LEQ) on staff religion). Adding together Lutheran and other Christian teachers, some schools have 100% Christian teachers while the lowest reported proportion of Christian teachers is 20%. Those who identify as 'other' (ie not Christian) are more likely to be aged in their 20s to 30s. The LCA policy requires the Christian Studies leader in a school to be Lutheran but as at 21 July 2021 according to Lexicon (the database that records all staff in Lutheran education), 65% are Lutheran.

Figure 1: Religion of teachers in Lutheran education in 2020 by region (n.b. data from 79 of the 80 schools)



The steady trend for decades has been a decreasing percentage of Lutheran teachers in Lutheran schools. The time has come for a discussion about what proportion of a school’s staff need to be Lutheran in order to establish and maintain Lutheran identity in a meaningful sense. The discussion needs to consider resourcing schools appropriately for mission and ministry. Other denominations are facing similar challenges and so the question also arises about relying too heavily on teachers of other Christian denominations who are in demand elsewhere (see Table 1).

Table 1: There has been a growth in the demand for Christian teachers across Christian school education in the last 5 years

Affiliation	2016		2021	
	Schools	Student FTE	Schools	Student FTE
Anglican	155	147,388	154	155,993
Non-Denominational	194	80,082	222	92,641
Christian Schools	140	62,728	157	75,422
Uniting Church	45	50,861	42	49,562
Independent Catholic	55	43,538	56	44,859
Lutheran	85	40,225	80	41,311
Baptist	40	20,460	42	23,736
Inter-Denominational	26	19,607	25	17,636
Seventh Day Adventist	46	12,521	44	14,895
Presbyterian	14	10,391	13	11,652
Pentecostal	15	7,716	20	8,226
Assemblies of God	11	6,130	11	7,029
Total	826	501,647	866	542,962

[Christian affiliations with more than 10 schools, data sourced from Independent Schools Australia <https://isa.edu.au/snapshot-2021/> and <https://isa.edu.au/publications-archive/>]

As a consequence, LEA, together with the church more broadly, has a clear task to focus on leadership in the Lutheran context, induction, formation, and developing ministry personnel. In

the absence of strong, nationally coordinated programs, anchored in the Lutheran confessions, we run the risk that the schools of the church will lose their Lutheran identity over time.

HIGHLIGHTED ACHIEVEMENTS

DEVELOPMENT OF THE STRATEGIC DIRECTION 2021-2024

In preparing the new direction, LEA undertook to consult with and listen to the broad Lutheran education community to address challenges facing schools and early childhood services, be responsive to these as well as anticipate and look forward to the opportunities of the future. LEA developed an initial draft in collaboration with the regional offices, building on regional strategic plans; undertook broad consultation with the wider Lutheran education community by running webinars that anyone associated with Lutheran education across Australia could join; and further revised this draft. LEA also undertook consultation with the district and regional governing bodies, seeking feedback on the revised draft Plan. This was aligned to the document, *LCA Our Direction* and approved by the General Church Board (GCB) and is available at www.lutheran.edu.au/download/blea-strategic-direction-2021-2024/.

For example, one of the agreed actions is to explore the intersection of Lutheran theology with contemporary issues arising in schools and early childhood services. LEA surveyed the Lutheran education community to identify priority issues to address. As a result, all schools and early childhood services received copies of a supplement of the Lutheran Theological Journal in late May 2021 covering topical issues such as transgender students, students with complex needs and student agency. LEA has gathered together authors from schools, regional offices, ALC and the LEA office to write these articles. These papers are not policy or position papers but instead provide a launch pad for discussions in school communities to inform local decision-making. The supplement is freely available at <https://e-resources.alc.edu.au/Pages/l tj-supplement-1-may-2021.aspx>.

Leadership Development

A rigorous external review of the Leadership Development Program (LDP) was undertaken in 2020 involving surveys with previous LDP participants and in-depth interviews with 19 principals from a range of schools across Australia as well as ALC and Australian Catholic University lecturers. The final report was shared with ALC, regional staff and principals and, as a consequence of the review a tender process for a new delivery partner for the LDP was initiated. All 37 public universities and the University of Divinity were invited to tender with 10 tenders received. The result is a partnership between Queensland University of Technology, ALC and LEA, with support provided by the regional offices. The program is tailored to *Growing deep* - the leadership and formation framework for Lutheran schools. An LDP Managers Team, comprising the LEA Director for Leadership and three regional leadership leaders, was responsible for assessing applications for the new LDP. Sixty-seven applications were received for 30 places and 46% of the selected participants are Lutheran. This is important given the Synod-approved LCA staffing policy that the principal of a school must be Lutheran. Complementing this are the LEA-produced leadership podcasts which provide future and existing school leaders with opportunities to explore what it means to be a leader in a Lutheran school.

LEA Ministry Conference

In 2021 a virtual conference brought together members of the Lutheran education community to explore the mission and ministry of Lutheran schools and early childhood services. The

conference was planned in a wholly collaborative manner, with a survey sent out to LEA MinistryNet to identify the conference themes and focus. The conference allowed members of the Lutheran education community to work together to enhance and further develop the Lutheran ethos within the church's schools and ECS's, and to learn and grow with each other in pursuit of common goals, values and aspirations.

ACCREDITATION

Accreditation is the means whereby the LCA can be assured that its teachings are known to and understood by those who work as educators in Lutheran schools, and that those who lead the school or teach Christian Studies have an adequate grounding in Lutheran theology. These requirements which reflect the responsibilities that each person has in the Lutheran school are outlined in the LCA staffing policy for Lutheran schools.

- Teaching staff who do not teach Christian Studies are required to be Accredited as a teacher (At). They do the Connect course.
- Teaching staff who teach Christian Studies are required to be Accredited as a Christian Studies teacher (Ac). They do the Connect and Equip courses.

[For further information on accreditation, see <https://www.lutheran.edu.au/school-professionals-2/accreditation/>]

Connect is the accreditation course for staff new to Lutheran education. It explores Lutheran education, its beliefs and spiritual life. Connect was significantly redeveloped from the previous Pathways program, and was piloted in 2019 and embedded in all regions in 2020. In 2020 this program was expanded to include a new status of Accredited Induction for Lutheran Education (Ai) for early childhood staff. This status can also be provided to any non-teaching staff who also choose to complete Connect.

Equip was also revised and a new version implemented from 2019. To obtain accreditation, participants submit a reflective portfolio for Connect and/or Equip and LEA assesses all of these under the guidance of, and against the standards of ALC to ensure nationally consistent standards at the level of someone who already has a bachelor degree. LEA and ALC have collaborated to establish a credit recognition pathway to encourage ongoing studies in Lutheran theology with ALC.

Having vibrant programs in the foundational areas of Lutheran identity is core to the ongoing sustainability of Lutheran education into the future.

- As at 21 July 2021: Since the commencement of the new program in 2019, 64 people have completed Connect and 21 people have completed Equip
- Of all current teaching staff 1224 are Accredited as a Teacher (At) and 1084 are Accredited as a Christian Studies Teacher (Ac)
- For all current teaching staff 976 require At and 448 have commenced Connect
- For all current teaching staff 267 require Ac and 133 have commenced Equip
- For all current teaching staff 188 have At but require Ac, 146 of these have commenced Equip
- For staff who commenced prior to 2018, 223 require At and 95 of those have not commenced Connect. 137 require Ac and 24 have not commenced Equip

RISKS AND CHALLENGES

REGIONAL RELATIONSHIPS

One of the key ongoing challenges for LEA is to address key relationships at the regional level in a spirit of mutual trust and collegiality. While considerable effort has been made to improve relationships through extensive consultation and collaboration, this remains a priority for the BLEA as it is evident that some regions do not value LEA's role or the wider context of the LCA.

This is also a risk for general convention of synod and its role. For example, in 2018 synod resolved that it "requires regional and national governing boards to be aligned to comply with LCA policy about being skills-based and to ensure appropriate separation between governance and management (eg employees of the system are not board members but may be consultants)". All regional councils and boards continue to have school principals as the chairs.

The Council for Lutheran Education Queensland (CLEQ) wrote to BLEA in 2020 expressing a view that the LEA levy constitutes a prohibited arrangement as defined under the Education (Accreditation of Non-State Schools) Act. BLEA takes regulatory compliance seriously and undertook an internal review as well as obtaining external specialist advice in the context of this as a potential issue for all regions. The advice concluded that LEA functions and services support Lutheran schools' provision of school education and further schools are not prevented from obtaining those services by state or commonwealth legislative requirements. BLEA wrote to CLEQ in October 2020 providing this reassurance.

Nonetheless, at the time of submitting this report, LEQ has unilaterally and without evidence or demonstrable legal basis instructed all Queensland schools to withhold payment of levies to LEA. This matter is currently with the LCA General Church Board and the Queensland District Church Board. We hope that the incoming District leadership are able to assist in resolving this issue. Without surety of revenue from schools in Queensland the viability of LEA is unlikely. This highlights a risk that while synod established LEA and affirmed its role again in 2018, the unilateral use of financial force by one region could result in the closure of LEA and hence override the authority of synod.

LUTHERAN DISTINCTIVENESS

Anecdotal commentary suggests that, increasingly, what is distinctive about a specifically Lutheran education is no longer apparent to those who regard our schools as Christian, rather than Lutheran. What might this mean in the context of a confessional church?

LUTHERAN LEADERSHIP

It is the policy of the LCA that principals of its schools be active communicant members of the LCA.

The rationale for this requirement is:

- a. If schools are part of the mission and ministry of the LCA those that lead them must be able to identify in all ways with this mission and ministry
- b. The principal is required to perform to the best of their ability the specific duties assigned to them by their school council and in so doing, seek at all times to promote the aims of the school and build up its distinctive Lutheran character

- c. School constitutions require that the Lutheran school operates according to the Confessions of the LCA and this means that those who lead them need to have both a working knowledge and an acceptance of them
- d. The LCA requires that pastor and principal operate in a spirit of mutual ministry
- e. The principal is required to provide spiritual and theological leadership to the school.

[Church membership and the Lutheran school principal policy available at <https://www.lutheran.edu.au/publications-policies/policies-guidelines-2/>]

Teaching staff who hold a key leadership position such as principal, deputy principal or head of sub-school are required to be Accredited as a leader (Al). They complete a program of academic study in leadership and Lutheran theology.

A risk is the number of Lutheran teachers that are available, capable and aspiring to be principals. The data below shows that there are currently six principals from other Christian denominations. A further risk is the pipeline of future Lutheran leaders. The LCA policy also requires that deputies and heads of sub-schools be Lutheran. The terminology used by schools to describe roles in the second tier of leadership may vary but the data below is indicative of the proportion of staff at this level who are Lutheran. This highlights that there may not be adequate numbers of Lutheran staff gaining experience of leadership to fill all future principal positions.

While the majority of leaders are accredited or in the process of undertaking their accreditation, the number of senior leaders who are still not accredited as leaders more than three years after taking on leadership roles is of concern.

As at 21 July 2021 as recorded in Lexicon:

- 73 of the 79 principals are Lutheran (nb some positions vacant with acting principals)
- 17 of 37 deputy principals are Lutheran
- 18 of 55 heads of sub-schools are Lutheran
- 9 principals that commenced in 2018 or prior are yet to fulfil the Accreditation as a leader requirement
- 2 deputy principals that commenced in 2018 or prior are yet to fulfil the Accreditation as a leader requirement
- 14 heads of sub-schools that commenced in 2018 or prior are yet to fulfil the Accreditation as a leader requirement

GOVERNMENT REGULATION

The church acknowledges that the government permits non-government authorities, such as the churches, to operate schools, provided that they meet certain government-determined criteria. As compliance regulations tighten, the risk around relationships between schools, districts, LEA and LCA NZ becoming more legalistic is more likely. It is also likely that there will be growing confusion and/or less clarity regarding the role of the school as a part of the mission of the church, versus functioning purely as a business.

For example, one possible scenario is that the only relationship the church may have with schools is on a commercial fee-for-service basis on the terms and conditions determined by the school. If this were the case what would this mean for the church's ability to operate authentically Lutheran schools? Delegates are reminded of the LCA Synod-approved 2001 Doctrinal Statement and Theological Opinion II J1:

7:3 The church will continue to own and operate its schools in accordance with government requirements, provided that meeting these requirements does not bring the church into conflict with the word of God and the teachings of the church.

7:4 The church will continue to accept financial assistance from the government under conditions determined by the government from time to time, provided that the teachings of the church are in no way or at any time compromised.

LEA is committed to and continues to advocate for the ability of the church to operate schools in accordance with the church’s teachings.

PROGRESS ON THE SYNOD RESOLUTION FROM 2018

In 2018 synod passed a Lutheran education resolution. Table 2 shows the progress against the action items in the synod resolution. As discussed elsewhere in this report, regional relationships and COVID-related delays and disruption are the main reasons for incomplete progress.

Table 2

Resolution	Progress
3. directs GCC and BLEA to develop and resource action plans to support the collaborative engagement of schools, congregations, districts and the LCA in mission and ministry.	Council for Local Mission and BLEA have prepared a joint research project in collaboration with ALC. This is contingent on obtaining funding.
4. directs GCC and BLEA to develop in collaboration with the three regions and the districts a coordinated approach to Commonwealth government funding.	The Commonwealth government reviewed the needs-based funding requirements for approved system authorities in 2019 and the recommendations from this will assist with clarity and consistency.
5. affirms the governance authority of the BLEA in the following five key areas of responsibility, and commits to enabling the BLEA to develop strategic direction for the whole Lutheran education body by working collaboratively with each of the education regions: <ul style="list-style-type: none"> • setting strategic direction and policy for Lutheran education; • strengthening Lutheran identity; • establishing risk policies; • establishing policies for formation, leadership succession and development; • enhancing culture (including facilitating and driving greater collaboration across the Lutheran education body) 	Examples of actions in these areas are provided elsewhere in the report. The area of risk policies is yet to be addressed.
6. affirms the role of education regions as part of the national Lutheran education body and requests GCC and BLEA to work with the districts and the education regions to collaboratively define the scope of the entities within the Lutheran education body and set the relevant boundaries by clarifying governance and management accountabilities and responsibilities at	As discussed elsewhere in the report, there have been ongoing challenges to address this.

regional and local levels. This includes developing relevant reporting arrangements and enabling a greater governance focus on mission and ministry through schools and ECCs.	
7. requires regional and national governing boards to be aligned to comply with LCA policy about being skills-based and to ensure appropriate separation between governance and management (eg employees of the system are not board members but may be consultants).	All regional governing bodies have a school principal as the Chair.
8. affirms that flexibility be provided for local school governing bodies to allow for increased participation by non-Lutheran members, whilst maintaining a majority of Lutheran members, and allowing for a model where a governing body may have oversight over more than one school.	Districts and regions have modified some school constitutions and appointments. BLEA has not collected school governor data in the past and hence cannot report on compliance as to the majority of Lutheran members. This is an area for future monitoring. There have been examples of shared governance between schools and lessons learnt have been shared between the regional directors. Any model needs to reflect the context of the communities involved.
9. directs GCC and other relevant bodies to determine a streamlined loans approval and guarantee process.	The LCA Loans Management Committee is implementing a pilot streamlined process.
10. directs the GCC to ensure all relevant LCA Constitutions and by-laws are revised to enable the agreed changes to be addressed.	No changes have been identified at this stage.
11. requires that regular reports on progress of the above recommended actions be submitted to GCC by all relevant stakeholders / parties.	BLEA reports regularly to GCB and as matters arise.

FINANCIAL MATTERS

LEA is committed to supporting schools through the COVID-19 pandemic. LEA cut its costs and postponed projects and was able to reduce the 2020 second half-year levy by 17%.

LEA is responsible for administering the sick leave emergency fund (SLEF). Owing to substantial claims, in 2019 LEA reallocated some budget to supporting the SLEF which is why the 2019 reported income was less than 2018. In 2020, LEA allocated \$100,000 in government cash-flow booster COVID relief to the sick leave emergency fund in the expectation of higher claims arising from pandemic impacts be it mental health or COVID-19.

LEA benchmarks its levies relative to the regions and Independent Schools Associations using the information publicly available on the Australian Charities and not-for-profits Commission

(ACNC) website. Table 3 shows that LEA's income has been static compared to others and that the growth in income to LEA has been less than the national enrolment growth (see Statistical report for enrolments). The number of staff employed in LEA has reduced from 6.2FTE in 2019 to 4.4FTE in 2021.

Table 3: Benchmarking income from levies or subscriptions using publicly available information from financial statements on the ACNC website

Entity	2015	2016	2017	2018	2019	2019 % change from 2015 baseline
LEA	1,419,928	1,499,520	1,546,990	1,591,491	1,429,495	0.7
LESNW	1,963,528	2,066,763	2,159,925	2,160,893	2,321,880	18.3
LEVNT	1,840,090	2,010,210	2,135,987	2,760,054	3,430,516	86.4
LEQ	3,648,931	3,671,363	3,671,717	3,729,070	3,801,179	4.2
ISQ	2,232,408	2,306,118	2,419,433	2,548,429	2,699,775	20.9
AISSA	2,083,620	2,318,792	2,497,852	2,591,424	2,698,780	29.5
ISV	4,483,857	3,815,894	5,255,822	5,441,155	6,145,916	37.1
AISNSW	6,906,741	7,329,153	7,770,487	8,259,226	8,822,198	27.7

The new LDP provided an opportunity to review the financial arrangements. We want the best possible applicants for the LDP and so equity has been addressed by LEA covering all travel costs to the initial intensive and 50% of the course fee. The school provides 25% of the course fee so the participant only pays 25%. Note that in the past the region paid 25% and LEA 25% of the course fee so LEA has now absorbed the regional contribution. This may mean an increased levy to LEA in future but this should be offset by savings at the regional level as it is simply a transfer of expense from regions to LEA.