



NSW Department of  
Community Services

## **PRESCHOOL INVESTMENT AND REFORM PLAN**

### **Preschool and Long Day Care funding**

#### **Frequently Asked Questions (FAQs)**

***Q. I have been told that there will be no SCAN funding available for my service in 2008/2009. Is this correct?***

A. There is no change to the SCAN program under the new model in 2008/2009. Organisations administering the SCAN funding have not received any reduction in funding for 2008/2009. Services can continue to apply for funding for children from ATSI and CALD backgrounds, however as funding for these groups is included in the new funding model, DoCS has asked SCAN organisations to prioritise funds for children with disabilities and challenging behaviours.

DoCS is reviewing the SCAN program in light of the new funding model and will notify services of any changes at the beginning of 2009.

***Q. Will funded Long Day Care services continue to receive their current funding beyond 2008/09?***

A. Yes, Long Day Care (CCB approved) services will continue to receive the same level of **recurrent** funding as they received in the 2007/2008 financial year, but from 2008/2009 will not receive any increased funding (including indexation/CPI increases).

From the start of the new funding model, DoCS funding will not increase for long day care services that are classified as 'Approved Care' and receive Commonwealth Child Care Benefit (CCB). This is intended to reduce the disparities between 'Approved Care' services (long day Care) and 'Registered Care' services (preschools) that are not eligible for CCB.

***Q. I have a letter saying that the funding for my preschool will not increase this year. Does that mean it will decrease?***

A. No preschool will receive a decrease in their level of recurrent funding. Preschools not allocated an increase under the funding model will have their funding maintained at 2007/08 levels (without indexation) for 2008/09.

***Q. My preschool is not getting an increase and I have been told my funding for 2008/09 will be the same as in 2007/08. Can you tell me what my funding will be for 2009/10 and beyond?***

A. Under the preschool funding model, all preschools will have their funding reassessed based on annual data reports. Your funding allocation will change each year depending on the number and characteristics of children in your service. At a minimum, you will receive your 2007/08 level of recurrent funding (without indexation) for up to five years.

***Q. My service is not receiving an increase, what will happen to our funding at the end of the five years?***

A. After five years your funding will move to the amount calculated under the preschool funding model. As your funding will have been reviewed each year, that amount may be higher than the 2007/08 level.

***Q. My service is not receiving an increase and did not get indexation payments. Will we get indexation payments next year?***

A. Indexation payments have been incorporated into the new funding model and are no longer paid separately for preschools. Each year the per-child funding rates in the funding model will be updated so that any indexation DoCS receives from NSW Treasury is passed on. This means that even if the model calculates your service is not to get a funding increase this year, you may receive an increase next year as the per child funding rates rise. However, many services will not receive an increase next year as their funding levels remain relatively high.

***Q. My preschool is not getting an increase in funding this year. What are some of the things our management committee should consider in planning for the next year and beyond?***

A. If numbers in your service are low the management committee should consider ways of increasing attendance and also how to improve access for children from low income families, or from CALD or ATSI backgrounds.

In developing longer terms plans for the service your management committee might like to consider:

- Reviewing the fee structures
- Changing the number of licensed places
- Changing days of operation
- Offering a mixed service model (with CCB approved places)
- Moving to a long day care or mobile service model.
- Developing partnerships with other services.

To assist with developing long term plans it is helpful to find out from parents what they want from your service, and to look at the role of your preschool within the broader community service system in your local area.

***Q. How do I work out how the funding for my preschool was calculated?***

A. Details about funding calculations can be found on the DoCS website at [www.community.nsw.gov.au/PIRP](http://www.community.nsw.gov.au/PIRP).

This website includes:

- A working model of the new funding approach
- A summary of the range of rates for each NSW Local Government Area (LGA)
- A summary of the per child funding rates

Funding levels are based on the number and characteristics of children using the service. The calculation was based on an average of the 2007 ASPARD data and the data submitted to DoCS by services in March 2008.

***Q. Are we required to give priority of access to children in their year before school?***

A. The aim of the Preschool Investment and Reform Plan is to improve access to preschool programs for children in NSW.

The priority of access targets identified in the funding principles include children in the year before school, with highest priority given to children closest to the school entry.

Individual services should prioritise children based on the needs of their local community.

***Q. What period does the funding cover? Our preschool operates on a calendar year.***

A. DoCS funding is provided on a financial year basis. Payments made this year under the preschool funding model cover the period from 1 July 2008 to 30 June 2009. It is the responsibility of the service provider to decide how to expend the funds throughout the year.

***Q. My preschool did not receive an increase in the 2008/09 funding allocation under the new preschool funding model. Is there any way that I can have my funding allocation reviewed?***

A. There is a funding review process in place for services that received no increase in preschool funding in 2008/09. The review process is designed to give services with exceptional circumstances an opportunity to have their funding levels reassessed based on their individual situation.

Funding reviews will only be conducted for those eligible services with exceptional circumstances, for example, services in remote areas or services affected by factors that were not reflected in the calculation for funding allocation.

Eligible services are those who:

- did not receive a funding increase in 2008/09 under the new model, *and*
- have difficulty balancing their budget within existing income, or are in deficit, despite good financial management.

DoCS Partnerships and Planning Team (P&P) will consider your request and review your individual case based on knowledge of the local service system. The P&P Team will make recommendations to DoCS Head Office, who will make the final assessment on whether to grant additional funding.

***Q. What children are regarded as being from a Non-English Speaking Background (NESB)?***

A. A child is from a Non-English Speaking background if they or their parent(s) have been born in a non-English speaking country and they speak a language other than English at home.