



Community Support Program

Non-formula Funded

Program Guidelines 2009–10

Foreword

The Australian Government is committed to supporting child care services to provide quality care and early learning opportunities for all children.

The Child Care Services Support Program (CCSSP) is funded by the Australian Government to support and promote access to quality child care and early learning for children, families and communities through strategies that complement the significant assistance provided to families through Child Care Benefit (CCB) and the Child Care Tax Rebate (CCTR).

The Community Support Program is a part of the CCSSP and includes a range of payments designed to deliver improved access to child care through support for establishment of new services and maintenance of services especially in areas where the market would otherwise fail to provide child care services.

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1. About the Guidelines

1.1. Purpose of Guidelines

These Guidelines provide the framework for the implementation and administration of Australian Government funding for Non-formula Funded services. These Guidelines should be read in conjunction with the relevant Non-formula funded Funding Agreement between the Australian Government Department of Education, Employment and Workplace Relations (DEEWR or the Department) and the Funding Recipient.

The Guidelines include:

- ▶ An overview of Australian Government funding for Non-formula Funded Program, including its purpose
- ▶ DEEWR expectations of Non-formula Funded service providers
- ▶ An overview of monitoring and contract management arrangements including accountability and program governance arrangements for DEEWR and the service provider and
- ▶ Other relevant information pertinent to the successful delivery of the Community Support Program.

DEEWR reserves the right to amend these Guidelines from time to time by whatever means it may determine in its absolute discretion. Such amendments may be necessary to reflect Australian Government priorities. DEEWR Funding Recipients are advised that any changes to the Guidelines and their subsequent effects will be advised online at www.deewr.gov.au.

1.2. Target Audience

These Guidelines have been developed by the Department for current Non-formula Funded service providers.

2. About Non-formula Funded Services

2.1. What are Non-formula Funded services?

Non-formula Funded services are funded based on historical funding arrangements with the Australian Government and are not CCB approved.

Child Care services funded under the Non-formula Funding provide child care for communities to have access to flexible child care where it would otherwise be unavailable.

Non-formula Funded services must comply with applicable State and Territory regulations and licensing requirements when providing care to children.

3. Information on funding available for Non-formula funded services

3.1. What is Non-formula Funding?

Non-formula Funding is a component of the Community Support Program. The total amount of funds available under the payment is limited and the decision to offer funding to existing Funding Recipients is reviewed at the end of each financial year, when existing Funding Recipients may or may not be offered further funding. Funding is not available to any new service, or any existing service which is not already approved for this funding.

The purpose of funding under Non-formula Funding is to help services with the cost of operating a child care service. Funding is intended to be an operational subsidy, it is a contribution towards the operating costs of a service.

3.2. What services are eligible for Non-formula Funding?

Those service providers which received Non-formula Funding in the 2008-09 financial year may be eligible to receive the payment in 2009-10. This payment is closed to new applicants.

Funding through Non-formula Funding is also conditional on compliance with the following:

- ▶ Family Assistance Law and related disallowable instruments as relevant to the Funding Recipient, where applicable
- ▶ State/Territory and Local Government laws, and
- ▶ the Funding Agreement.

Services that receive Non-formula Funding are not eligible to also receive Operational Support, Neighbourhood Model funding or Budget Based Funding.

3.3. What can Non-formula Funding be spent on?

Funding under the Non-formula Funded Program is provided to contribute towards the day-to-day costs of operating a child care service, including (but not limited to):

- ▶ administration
- ▶ marketing of the service
- ▶ staff recruitment and
- ▶ staff training.

3.4. What can Non-formula Funding not be spent on?

Funding provided through the Non-formula Funded Program **cannot** be used for:

- ▶ fee reductions to families
- ▶ incorporation costs
- ▶ payments to fund organisations
- ▶ programs or services not essential for the core operation of the funded child care service
- ▶ support for political activities (e.g. phone calls and printing)
- ▶ rent to sponsor organisations other than a nominal charge, or
- ▶ capital improvements.

3.5. Amount of Funding available under the Program

Non-formula Funded services receive funding on an historical basis and it is indexed annually according to the Consumer Price Index. There is currently no formula for determining the level of funding based on utilisation. Where services are offered further funding for the upcoming financial year, the amount of funding is indexed.

4. Funding Recipient Requirements

4.1. What are the Funding Recipient responsibilities?

Funding Recipients must, where applicable:

- deliver a Non-formula Funded service in accordance with the following:
 - the 2009–10 Funding Agreement
 - these Guidelines
 - the family assistance law (in particular, the requirement to reduce fees in accordance with notices issued by the Family Assistance Office (FAO))
 - the *Child Care Service Handbook* as amended from time to time, and
 - all applicable State/Territory and local government laws, regulations and licensing requirements
- have an Australian Business Number (ABN).

4.2. What are the Insurance requirements?

The service provider is required to have the following insurance:

- Public Liability for not less than \$10 million for each and every claim
- Workers' Compensation as required by law, and
- Professional Indemnity for not less than \$5 million per claim and in the aggregate, in a year.

4.3. What are Sound Business Practices?

All services are required to meet the business requirements and obligations associated with operating a child care service as per the Funding Agreement. Issues such as insurance, bookkeeping, administration and record keeping must be considered. As with all businesses, it is essential to keep receipts of all expenditure related to the business.

Receipts will be required for regular tax purposes as well as for auditing purposes.

The service provider should retain a copy of all reports, records or account books in original form for at least five years (or such longer period required under state or territory legislation) following the expiry or termination of the Funding Agreement.

4.4. What are the Child Care State and Territory Legislation and Regulations?

State and Territory Governments have the prime responsibility for family support, child welfare, regulations and licensing. Where applicable, all Non-formula Funded services must abide by their relevant State or Territory Government legislation and regulations relating to child care.

5. Responsibilities and accountabilities under the Community Support Program

5.1. DEEWR responsibilities and accountabilities

The DEEWR State/Territory and National Offices will be responsible for:

- ▶ consulting with and providing information and advice to Funding Recipients on issues affecting Non-formula Funding
- ▶ providing all reasonable assistance to Funding Recipients to help them understand their roles, responsibilities and accountabilities as a Non-formula Funded service provider
- ▶ ensuring financial acquittal, accountability and reporting requirements under the Funding Agreement are met
- ▶ reporting on the Program by reference to each State and Territory
- ▶ maintaining and updating these Guidelines
- ▶ providing national direction on all policy issues relating to Non-formula Funding
- ▶ reporting on Non-formula Funding at a national level
- ▶ monitoring the effectiveness and efficiency of Non-formula Funded child care on a national basis, including undertaking evaluations
- ▶ ensuring that funding allocation is targeted effectively and equitably across States and Territories, and
- ▶ ensuring a nationally consistent approach to the program is maintained.

5.2. Funding Recipient responsibilities and accountabilities

The Funding Recipient is responsible for providing the best possible care for all children at all times. In accordance with the Funding Agreement, Non-formula Funded services must comply with these Guidelines, all applicable State/Territory and local government laws, regulations and licensing requirements.

For further information please refer to the *Child Care Service Handbook* available at DEEWR's website located at: www.deewr.gov.au.

6. Funding Agreement

6.1. What are the Funding Agreement requirements?

All providers assessed as being eligible to receive funding will be sent a Funding Agreement from the Department prior to the commencement of the 2009–10 funding period. The Funding Agreement sets out the rights, responsibilities and obligations of the Commonwealth of Australia (as represented by the Department) and the Funding Recipient. All service providers must agree to the terms of the Funding Agreement and sign the Funding Agreement prior to receiving payments.

The Department requires that providers meet reporting and accountability requirements as specified in the Schedule to the Funding Agreement. The Funding Agreement must be signed and returned to the Department within 30 days of receipt of the letter of offer.

It is crucial to note that the Funding Agreement is a legally binding document between the provider and the Department which is enforceable by either party upon signing.

6.2. What are the reporting requirements?

Reporting provisions are outlined in the Funding Agreement and include (but are not limited to):

- ▀ Utilisation Reports
- ▀ Activity Reports, and
- ▀ Audited or Certified Financial Acquittal Report, depending on the type of Funding Agreement (for long form or short form agreements respectively).

6.2.1 What are Utilisation Reports?

Utilisation reports provide DEEWR with a summary of the Funding Recipient's operating profile and use of Non-formula Funding. These reports are due on the dates specified within the Funding Agreement. Funding Recipients are required to provide DEEWR with one electronic copy of each Utilisation Report in Microsoft Word format, or as otherwise specified by the Department.

6.2.2 What are Activity Reports?

Activity reports provide DEEWR with a summary of how the Funding Recipient is performing in relation to the Performance Indicators outlined within the Funding Agreement. Funding Recipients are required to report on outcomes of their Activity through Activity Reports on the dates specified within the Funding Agreement. Funding Recipients must provide DEEWR with these reports in the format specified by the Department.

6.2.3 What is the purpose of the Financial Acquittal Report?

The Financial Acquittal Report (whether Audited or Certified) provides DEEWR with information about how the allocated funding was expended and whether the funding was expended in accordance with these Guidelines and Non-formula Funded Funding Agreement.

Service providers are required to provide either an **Audited Financial Acquittal Report** or a **Certified Financial Acquittal Report** as stated within their 2009–10 Funding Agreement.

Services will be required to return to the Department any funds not spent during the activity period or funds spent other than in accordance with the Funding Agreement.

The Financial Acquittal Report must contain the information as set out in the accompanying Schedule and Terms and Conditions of the Funding Agreement.

The Non-formula Funded Program Funding Recipient must ensure that all reports relating to the expenditure of funding are either audited by an Approved Auditor or certified by an authorised Officer in accordance with the Funding Agreement. Recipients are required to provide DEEWR with a hard copy of either the Audited Financial Acquittal Report or the Certified Financial Acquittal Report as specified in the Funding Agreement.

6.3. What is the process when a service ceases to operate?

Services must not cease to operate or substantially change the operations of their services without first giving DEEWR at least 30 days notice in writing. The Department will then notify the service in writing outlining what is needed to finalise their Funding Agreement with the Department.

If the service ceases to operate, or in the event of termination of any Funding Agreement, any Australian Government funds not used or spent other than in accordance with the Funding Agreement must be acquitted and returned to DEEWR by the service within the timeframe specified by the Department. If the amount owed is not repaid within that time it will become a debt due and payable to the Australian Government.

7. Privacy and confidentiality

7.1. Privacy and confidentiality

In accordance with the Privacy Act 1988, DEEWR undertakes to use any information obtained from applicants strictly for the purposes of administering the Community Support Program. DEEWR requires Funding Recipients, in accordance with their Funding Agreements, to comply with the Information Privacy Principles (IPPs). Further information on the IPPs can be found on the Office of the Federal Privacy Commissioner's website at <http://www.privacy.gov.au>.

7.2. Freedom of Information

The *Freedom of Information Act 1982* (FOI Act) gives the community the right to access information in the possession of DEEWR. Information collected or held by DEEWR may be released on request, unless exempted under the relevant provisions of the Act or under specific legislation that provides for the confidentiality of that information. Individuals or bodies wishing to obtain information under the FOI Act should write to the DEEWR Program Contact Officer indicating clearly which information they would like access to.

Service providers are not directly subject to the provisions of the FOI Act. However, as DEEWR funded service providers, documents that have either come from DEEWR or another Australian Government body or are created as a result of the funding agreement with the Australian Government are subject to FOI requests.

7.3. Security of Information

Service providers are required to store records relating to management of funding in a secure place and dispose of them in an appropriate manner. The Department is required to maintain all records (hard copy and electronic) in accordance with the *Archives Act 1983* and the Department's Records and Document Management Policy and Guidelines.

8. Complaints

8.1. Complaints – Service Provider

The Department has a formal complaints service and the service provider can lodge a complaint by telephoning 1300 363 079.

A complaint is defined as:

‘Any expression of dissatisfaction with a product or service offered or provided’
[Australian Standard AS4269–1995].

The Department has a ‘complaints recording system’ to capture complaints to the Department about any of its services or those delivered by funded service providers.

For the purposes of the Department’s complaints recording system, a ‘complaint’ does not include:

- ▶ Ministerial correspondence
- ▶ Freedom of Information requests or where applicable, and
- ▶ Complaints made to service providers, as these should be covered under their own complaints mechanisms as specified in the National Childcare Accreditation Council’s Child Care Accreditation Systems.

If the service provider is dissatisfied at any time with our handling of their complaint, they can also contact the Australian Ombudsman at www.ombudsman.gov.au.

9. Contact information

Service Providers seeking further information about Australian Government funding for child care services can contact the Department on:

The website	www.deewr.gov.au
By phone	1300 363 079 – request to speak to a child care officer in your state or territory
By mail	Child Care Programs Branch Department of Education, Employment and Workplace Relations GPO Box 9880 CANBERRA ACT 2601
TTY	1800 554 609

10. Other useful information

Services seeking further information please contact:

- ▶ Child Care Access Hotline - 1800 670 305

The Child Care Access Hotline (the Hotline) is a telephone service funded by the Australian Government that provides families with information to help them choose a child care service that meets their needs.

- ▶ Family Assistance Office -1800 050 021

Services needing more information about CCB and Jobs, Education and Training Child Care Fee Assistance administration and calculation, should contact the Family Assistance Office Teams.

- ▶ Family Assistance Office Multilingual Call – 13 12 02

Related publications in a variety of languages can also be found online at the multilingual sections of the [Family Assistance Office](#) and [Centrelink](#).

Child Care Service Handbook

The *Child Care Service Handbook* is a reference book for approved child care service providers. The Handbook was developed as a guide to assist services with the administration of CCB and the Child Care Services Support Program.

The printed hard copy version of the *Child Care Service Handbook* has been sent to child care services. If you would like a copy please call 13 36 84.

A PDF version of the Handbook is available below:

- [Child Care Service Handbook 2008-2009 - PDF Version](#)

Inclusion and Professional Support Program

The Inclusion and Professional Support Program (IPSP) provides an integrated and consolidated approach to meeting the inclusion and professional support needs of child care services.

Updated details of the support services and subsidies provided through the IPSP are available at www.deewr.gov.au.

