



# Community Support Program

## Occasional Care Funding

## 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 Occasional Care (OCC). These Guidelines should be read in conjunction with the relevant OCC 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 OCC, including its purpose
- ▶ DEEWR expectations of OCC 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](http://www.deewr.gov.au).

## 1.2. Target Audience

These Guidelines have been developed by the Department for prospective and current OCC service providers.

## 2. About Occasional Care (OCC)

### 2.1. What is OCC?

OCC is a centre-based form of child care. OCC services are responsive to the needs of the general community and provide flexible care which allows parents to meet their work-related and non-work related commitments. Families can access OCC regularly on a sessional basis, or irregularly.

OCC services do not offer full-time, all day child care except in extenuating circumstances. OCC provides families with the flexibility to leave children in an early childhood learning environment on days and hours that best meet their needs.

OCC can provide care at short notice and immediate emergency care. OCC services charge fees that reflect the amount of time a child spends in care. OCC is available to all children, however, most of the children in care will not have started school.

OCC services may operate independently as a stand-alone OCC service or can be co-located with a Long Day Care service as permitted by relevant state/territory regulations for OCC.

OCC services must comply with applicable state and territory regulations when providing care to children.

### 2.2. How must an approved OCC service operate?

An approved OCC service must ensure that:

- Most of the children provided with care will not have started school and
- It operates for a maximum of nine hours per day, which equates to a maximum of 45 hours per week.

Further legislative criteria for OCC are set out in the *Child Care Benefit (Eligibility of Child Care Services for Approval and Continued Approval) Determination 2007*. This instrument is subject to change from time to time. The current compilation is available on [www.deewr.gov.au](http://www.deewr.gov.au).

### 2.3. How are OCC places allocated?

There are currently no approved OCC places available for allocation and therefore no new services are eligible to receive Operational Support.

In order for a service to become approved to administer CCB on behalf of families, places must be available for allocation to that service. The Australian Government limits the number of OCC places available in the market and consequently if places are unavailable, no new OCC services can become approved for CCB.

When places become available information on the application process will be made public and services can then apply to become approved for the purpose of CCB, and existing approved OCC services can seek an increase in their number of approved places. Places will be allocated to new and existing services on the basis of demonstrated need, as determined by DEEWR.

Organisations can register their interest in Occasional Care places with a child care officer in their state or territory DEEWR office at any time. The Department will notify these services in writing when applications are being sought.

## **2.4. What other forms of OCC are there?**

### **2.4.1 Non-formula Funding**

The Australian Government supports a small number of non-approved services through funding known as Non-formula Funding. This form of funding is not available to any new service, or any existing service which is not already approved for this funding.

For those services receiving this payment that require further information, please contact the Department on 1300 363 079 and request the child care office in your state or territory or refer to the *Non-formula Funding Program Guidelines*.

Services that receive this funding are not eligible to receive Operational Support, Budget Based Funding or Neighbourhood Model funding.

### **2.4.2 Neighbourhood Model OCC**

The Australian Government also supports the provision of small, non-approved OCC services through the Neighbourhood Model. Under this model, the Government provides block funding to State and Territory governments, which are then responsible for administering the program, including allocating Neighbourhood Model places.

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

Services already receiving this form of support that need further information should contact their relevant State or Territory Government department with responsibility for child care.

### 3. Information on funding available for OCC services

Under the Community Support Program, the Australian Government provides financial support to eligible OCC services. There are three types of financial support available to OCC services depending on their eligibility:

1. Operational Support for Approved OCC services
2. Non-formula Funding
3. Neighbourhood Model OCC

For more information contact the department on 1300 363 079 and request the child care office in your state or territory.

#### 3.1. Operational Support Payments for Approved OCC services

##### 3.1.1 What is Operational Support?

The Australian Government provides financial support to approved OCC services. All services that have approved OCC places allocated by the Department and are approved for CCB purposes as an OCC service, can receive Operational Support.

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

##### 3.1.2 What services are eligible to receive Operational Support?

Only those OCC services that have Ministerially-approved places allocated by the Department are eligible to receive Operational Support

##### 3.1.3 What can Operational Support Payments be spent on?

Operational Support payments are designed to assist OCC services with the day to day expenses associated with the provision of OCC, including:

- ▀ Administration
- ▀ marketing of the service
- ▀ staff recruitment and
- ▀ staff training.

##### 3.1.4 What can Operational Support Payments not be spent on?

The payments **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.

### 3.1.5 How is Operational Support calculated?

Operational Support funding is calculated on a rate per approved OCC place on the basis of a maximum 40 hour week and considers the geographical location of the service. The Department uses the Accessibility Remoteness Index of Australia (ARIA Plus) to classify services for Operational Support funding.

Services may operate for up to a maximum of 45 hours a week, however, Operational Support will **not** be paid for child care provided beyond 40 hours.

Operational Support is paid only for the weeks during the year that a service operates. For example, if a service operates for 48 weeks of the year, it will be paid for 48 weeks of Operational Support.

The following formula is used to calculate the amount of Operational Support each service will receive:

**(\$ rate per place) X (number of approved OCC places) X (number of weeks open)**

If a service operates for less than 40 hours per week, the Funding Recipient will be paid Operational Support at a pro-rata rate. To calculate the pro-rata rate per approved OCC place:

**Divide (\$ rate per approved OCC place) by up to a maximum of 40 hours, then multiply this figure by the number of hours the service is open in a standard week.**

### 3.1.6 What are the Operational Support funding rates?

The following are the Operational Support rates for 2009–10, which are subject to annual indexation.

<b>Geographic Location of Service</b>	<b>Rate per approved OCC place*</b>
Major Cities and Inner Regional	\$27.95
Outer Regional	\$33.50
Remote and Very Remote	\$36.35

\*Indexed annually

Funding rates are adjusted annually in line with the Consumer Price Index (CPI).

Note: the Department uses the Accessibility and Remoteness Index of Australia (ARIA Plus) to classify service and carer locations for Network Support funding.

## 4. Funding Recipient Requirements

### 4.1. What are the Funding Recipient's responsibilities?

Funding Recipients must:

- maintain approval to administer Child Care Benefit (CCB) in accordance with:
  - *A New Tax System (Family Assistance)(Administration) Act 1999*
  - *A New Tax System (Family Assistance) Act 1999*, and
  - related disallowable instruments made under these Acts, including the Eligibility Determination
- deliver OCC 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?

An OCC 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, per year.

### 4.3. What are Sound Business Practices for an OCC service?

All services are required to meet the business and financial requirements and obligations associated with operating a child care service as per the Funding Agreement. Issues such as insurance, bookkeeping, CCB 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 following the expiry or termination of the Funding Agreement or any longer period required under State or Territory legislation.

For more information about sound business practices relevant to approved child care services, refer to the current *Child Care Service Handbook* or visit the OECECC website at [www.deewr.gov.au](http://www.deewr.gov.au).

#### **4.4. Child Care State and Territory Legislation and Regulations**

State and Territory Governments have the prime responsibility for family support, child welfare, regulations and licensing. All OCC services should abide by their relevant State or Territory Government regulations relating to child care.

#### **4.5. What is Child Care Quality Assurance?**

Currently, OCC services are not covered by the Child Care Quality Assurance Framework.

The aim of the Australian Government's Quality Assurance system is to provide a framework for reviewing, measuring and improving the quality of the work being done by approved child care providers. Quality Assurance focuses on quality outcomes for children and encompasses processes of self-assessment and continuing improvement against areas of quality care.

Quality Assurance:

- ▶ improves outcomes for children
- ▶ improves the accountability of child care to the public and
- ▶ better equips services to cater for children's individual needs.

To be eligible for and maintain approval for CCB purposes services must register for and satisfactorily participate in quality assurance systems as nominated in their Funding Agreement.

#### **4.6 Compliance with Child Care Benefit approval and continued approval requirements**

Unannounced visits to services are part of the Australian Government's improved compliance strategy to protect the integrity of payments made to support families accessing approved child care. Under the family assistance legislation and the terms of the funding agreement, DEEWR officers may visit a service unannounced.

## 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 OCC
- ▶ providing all reasonable assistance to Funding Recipients to help them understand their roles, responsibilities and accountabilities as a OCC service provider
- ▶ conducting Quality Assurance assessment of Funding Recipients through the National Childcare Accreditation Council (where applicable)
- ▶ 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 OCC
- ▶ reporting on OCC at a national level
- ▶ monitoring the effectiveness and efficiency of OCC 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, OCC services must be approved for the purposes of CCB and continue to comply with the eligibility rules set out in the Eligibility Determination. For further information please refer to the *Child Care Service Handbook* available at DEEWR's website located at [www.deewr.gov.au](http://www.deewr.gov.au).

An OCC Funding Recipient is responsible for establishing and maintaining a quality child care service. More information on Funding Recipients' obligations and requirements is available within the 2009–10 Funding Agreement.

## 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 OCC 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 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 OCC 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* (the FOI Act) gives the community the right to access information in the Department's possession. Information collected or held by DEEWR may be released on request, unless it is exempted under the relevant provisions of the FOI 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 themselves not directly subject to the provisions of the FOI Act. However, documents that originate from DEEWR or another Australian Government body, or are created as a result of the Funding Agreements between the Australian Government and funded providers, are subject to FOI requests.

### 7.3 Security of Information

Funding Recipients 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 DEEWR 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
- ▶ Complaints made to service providers, as these should be covered under their own complaints mechanisms in accordance with the relevant Child Care Quality Assurance administered by the National Childcare Accreditation Council.

If the service provider is dissatisfied at any time with our handling of their complaint, they can also contact the Commonwealth Ombudsman at [www.ombudsman.gov.au](http://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:

<b>The website</b>	<a href="http://www.deewr.gov.au">www.deewr.gov.au</a>
<b>By phone</b>	1300 363 079 – request to speak to a child care officer in your State or Territory
<b>By mail</b>	Child Care Programs Branch Department of Education, Employment and Workplace Relations GPO Box 9880 CANBERRA ACT 2601
<b>TTY</b>	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](http://www.deewr.gov.au).

