



Australian Government

Department of Education, Employment and Workplace Relations

Early Learning and Care Centres Program Guidelines

Early Learning and Care Centres Program Guidelines

Table of Contents

1. Overview	1
1.1 Introduction	1
1.2 Program Objective	1
1.3 Program Delivery	1
1.4 Program Requirements	3
2. Responsibilities and Accountabilities under the Program	4
2.1 Federal Minister	4
2.2 The Department of Education, Employment and Workplace Relations	4
2.3 Land Owner	4
2.4 Planning and Construction	5
2.5 Service Provider	5
3. Contracting and Funding Arrangements	6
3.1 Use of Funds	6
3.1.1 Purposes for which the funding may be used	6
3.1.2 Purposes for which the funding may not be used	6
3.2 Lease Arrangements	6
3.3 Funding Agreements	7
3.4 Funding Obligations	7
3.5 Goods and Services Tax	7
3.6 Variations to Approved Projects	8
3.7 Payments and Acquittals	8
3.8 Australian Government Right to Repayment	8
3.9 Recognition of Australian Government Assistance	9
4. Monitoring and Evaluation	10
4.1 Reporting Requirements	10
4.1.1 Progress Reports	10
4.1.2 Final Acquittal Report	10
4.1.3 Completion Report	10
4.2 Program Monitoring	10
4.3 Program Review	11
5. Additional Information	12
5.1 Freedom of Information	12
5.2 The Privacy Act	12
5.3 Privacy Complaints	13
6. Glossary	14
Appendix A	16

1. Overview

1.1 Introduction

The 2008-09 Federal budget allocated \$114.5 million over four years to establish 38 Early Learning and Care Centres, including six autism specific centres. This investment includes capital funding and other child care related expenditure such as Child Care Benefit and the Child Care Rebate. These centres are due to be fully operational by the end of 2010.

The Australian Government reserves the right to amend these Guidelines as necessary. Information concerning changes to the Guidelines will be posted on the MyChild website.

Further information about the Early Learning and Care Centres can be found:

- at www.deewr.gov.au/earlychildhood; or
- by sending an email to ELCCenquiries@deewr.gov.au.

1.2 Program Objective

The objective of this Program is to increase the supply of integrated early childhood education and care in areas of unmet demand for child care.

The Program places a strong emphasis on connecting with schools to ensure all Australian children are fully prepared for learning and life. To facilitate this, where possible, the Early Learning and Care Centres will be established on school, TAFE, university or other community land.

The Early Learning and Care Centres will provide early learning and care in a long day care setting that takes into account the specific requirements of the local community. Children attending the centres in the year before formal schooling will also have access to an affordable, age appropriate early learning program, delivered by a qualified teacher.

1.3 Program Delivery

The locations for 33 of the 38 centres, including one autism specific centre, were announced during the 2007 Federal Election. Since then, the locations for the remaining five autism specific centres have been identified by the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA). Appendix A provides a listing of the locations for the 38 centres.

FaHCSIA is responsible for managing the establishment of the six autism specific centres. An open and competitive application process has been conducted for the construction of the centres and service provision. These centres will provide dedicated early learning programs and specific support for children diagnosed with autism spectrum disorders (ASD). The centres will be

accredited long day child care centres and will provide services based on best practice principles for working with children with ASD. This initiative is in addition to the Australian Government's \$190 million Helping Children with Autism package. For more information regarding the autism specific centres and the Helping Children with Autism package email: asd@fahcsia.gov.au.

For the remaining 32 centres, the Department of Education, Employment and Workplace Relations will work with the state and territory governments to deliver the centres in the first instance. The state and territory governments have been asked to identify suitable sites for these centres and invited to undertake the construction of the centres and provider selection process, within the parameters set by the Australian Government. If the states and territories elect to manage the construction of the centres, then they will receive and administer the capital funding.

Where the relevant state or territory government elects not to manage the construction, an open and competitive application process, managed by the Australian Government, will be advertised. In these circumstances, a single entity, consortium or a partnership from the private, community and/or public sectors can apply.

The Australian Government will provide a contribution to the cost of constructing the centres. Where this contribution does not meet the full cost of construction, additional funding may be provided by state or territory governments or other government and/or non-government entities.

This initiative generally does not provide for the purchase or lease of land. Where possible, the state and territory governments have been asked to provide the land on which the centres will be constructed. Where this is not possible, land will generally need to be provided by other government or non-government entities. For the purposes of establishing the Hazelbrook Early Learning and Care Centre, the Minister for Education has agreed that funding received by the successful applicant may be used to obtain land and construct the Early Learning and Care Centre in Hazelbrook.

The Australian Government is looking to achieve best value for money, specifically opportunities for co-investment from interested parties, including state government, local government, community organisations and private enterprise.

1.4 Program Requirements

The Australian Government's investment of \$114.5 million over four years includes capital funding and other child care related expenditure such as Child Care Benefit and the Child Care Rebate. Funding will be available from 1 July 2008. The Australian Government has allocated an average of \$1.7 million in capital funding for each centre, however, this is an Australia-wide average. Given this, the contribution for centres in high cost areas may be higher than for those in metropolitan areas. Construction can include new buildings, or an expansion or material enhancement of infrastructure, where additional child care places are created.

The size of each centre will be dependent on the number of new child care places needed in the location and the size of the land available. On average, it is expected that each of the centres (except the six autism specific centres) will provide at least 50 additional long day care places. For the six autism specific centres, it is expected that 20 additional places will be established for children with ASDs.

The Program requires that:

- where possible, the centres be located on school grounds or TAFE, University or other community land in the nominated locations;
- additional Child Care Benefit approved long day care places are created through the establishment of the centres;
- the centres operate as long day care facilities for a period of at least 20 years;
- the centres are fully operational by the end of 2010 and that all costs in addition to the Australian Government's contribution to the capital costs of the establishment of the centre are sourced by the Funding Recipient;
- the centres are fully financially viable without additional financial support from the Australian Government (other than that provided to other services in similar circumstances);
- access is provided to an affordable, age appropriate early learning program, delivered by a qualified teacher for all children in the year before formal schooling;
- the construction of the centre and service provision complies with all relevant laws and policies (including Family Assistance Law and related disallowable instruments and state, territory and local government laws, regulations and child care licensing requirements); and
- dedicated early learning and care programs are provided for children with ASD in a long day care setting (autism specific centres only).

Factors that will be considered in determining the best possible site for Early Learning and Care Centres in a particular location include:

- that there is unmet demand for child care;
- capacity for the centre to be financially viable into the future, without the need for additional Australian Government funding;
- opportunities for co-location/integration with other relevant services (e.g. child and maternal health services); and
- the needs of the community.

2. Responsibilities and Accountabilities under the Program

2.1 Federal Minister

The Federal Minister responsible for this Program is the Minister for Early Childhood Education, Child Care and Youth (the Minister). The final decision about the locations, sites and proposals for centres will be made by the Minister on advice provided by the department (and the relevant state or territory minister, if the centre is to be constructed on state government land).

2.2 The Department of Education, Employment and Workplace Relations

The Department of Education, Employment and Workplace Relations (the department) is responsible for the overall management of the Program on behalf of the Australian Government.

The roles and responsibilities of the department include, but are not limited to:

- advising the Minister and other Australian Government departments about the Program;
- assessing unmet demand for child care in specific locations;
- ensuring consistency in interpretation and application of policy by acting as a reference point and providing policy advice and clarification;
- developing and updating Program documentation;
- developing and maintaining the Program website;
- managing application processes, as necessary, and making recommendations to the Minister;
- negotiating Funding Agreements for the Program;
- entering into Funding Agreements with successful applicants (see subsection 3.2 below);
- monitoring adherence with Funding Agreements;
- making payments in accordance with Funding Agreements;
- monitoring and managing the Program budget; and
- monitoring, evaluating and reporting on the Program.

2.3 Land Owner

The Program generally does not include provision for buying land, however, the Minister for Education has agreed that for the purposes of establishing the Hazelbrook Early Learning and Care Centre the successful applicant may use the funding received under the measure to obtain land and construct the Centre. Ownership and control of the infrastructure built with the capital funding, remains with the land owner. In all cases, the Australian Government will require a purposes agreement (or other safeguard) to ensure that the land and facility is used for the provision of early learning and care for a period of time.

The roles and responsibilities of the land owner include but are not limited to:

- ensuring land is suitable for the purpose of establishing an Early Learning and Care Centre and is immediately available;
- providing the ongoing maintenance of the facilities; and
- managing service provision arrangements for the term of the Funding Agreement.

2.4 Planning and Construction

The provider of planning and construction services is responsible for completing the construction of the Early Learning and Care Centre. The roles and responsibilities of the provider of construction services include but are not limited to:

- preparing building/architectural plans and specifications and attaining all the necessary building approvals, prior to commencing construction;
- constructing the centre within budget and meeting all specified milestones and timeframes;
- ensuring any work carried out is in accordance with the requirements and standards of all Statutory Requirements applicable to the building, construction and fit out of the site within the relevant jurisdiction;
- ensuring that in carrying out the Capital Works Project, there is compliance with all Statutory Requirements and other requirements for the protection of the environment, including arranging for the appropriate checks to be undertaken; and
- ensuring that professional, appropriately licensed tradespersons, with appropriate insurance to cover the construction project, are used for all aspects of the Project.

2.5 Service Provider

Service providers are required to provide high quality and affordable early learning and care in a long day care setting that takes into account the specific requirements of the local community. The roles and responsibilities of the service provider include, but are not limited to:

- complying with all relevant laws (including licensing and regulatory requirements) and other requirements and permissions necessary for the operation of a long day care centre;
- providing access to an affordable, age appropriate early learning program, delivered by a qualified teacher for all children in the year before formal schooling;
- maintaining approval to administer Child Care Benefit (CCB);
- administering CCB on behalf of parents;
- participating in the Commonwealth's quality assurance process through the National Childcare Accreditation Council;
- maintaining sound business and financial management practices; and
- fostering and supporting staff professional development and encouraging the recruitment and retention of quality staff.

3. Contracting and Funding Arrangements

3.1 Use of Funds

3.1.1 Purposes for which the funding may be used

Funding provided under the Program must be used for the purposes specified in a Funding Agreement between the Australian Government and the Funding Recipient.

Only in relation to the Hazelbrook site may the funding be used to obtain land and construct the centre, including building plans and specifications, building approvals, the construction and fit-out of the centre (for example landscaping and playground equipment) and project management costs. For all other sites, funding cannot be used to obtain land.

3.1.2 Purposes for which the funding may not be used

The funding may not be used for the following:

- leasing of equipment and other facilities;
- reimbursement for construction work already completed;
- the repair or general/periodic maintenance of a roadway and related structures or an existing facility and/or equipment therein following the completion of the centre;
- expenses involved in conducting formal and informal evaluation;
- equipment required by the centres such as toys and learning aids; or
- alternative accommodation while renovation/upgrade takes place.

In addition, the funding must not be used to meet recurrent costs associated with the ongoing operation of the Early Learning and Care Centres. Such costs include, but are not limited to:

- ongoing expenses such as computer maintenance, security personnel, surveillance;
- insurance of equipment and facilities; or
- transportation.

Early Learning and Care Centres are not precluded from applying for any other type of Australian Government funding under the Child Care Services Support Program (CCSSP) that they may be eligible for (see deewr.gov.au/EarlyChildhood for more information).

3.2 Lease Arrangements

Where the successful applicant leases land for the purposes of the construction/operation of an Early Learning and Care Centre, evidence of the lease arrangement must be provided to the department prior to the commencement of construction of the Early Learning and Care Centre. The department may require a purposes agreement or other type of arrangement to be entered into to ensure that the Australian Government's interest is properly secured. Funding may be withheld

until a suitable arrangement has been entered into by all parties. Lease arrangements or other arrangements approved by the department must not be varied unless the department is notified and approves the variation in writing.

3.3 Funding Agreements

Funding Recipients must expend the funding in accordance with their Funding Agreement with the Australian Government.

Where the obligations contained in the Funding Agreement with the Australian Government are inconsistent with the Program Guidelines, the Funding Agreement takes priority over the Program Guidelines.

The Funding Agreement will describe the purpose for which the Program funding must be used, provide a description of how, when and where the Project must be delivered, how Program funding will be applied, when payments will be made and the requirements that need to be met in order to comply with the Funding Agreement. The department will monitor the Project's progress against the Funding Agreement through progress reports.

The agreed schedule for the payment of funds will provide that the payments are aligned with the delivery of key milestones. Where agreed milestones are not met, or the associated project progress reports to the department are not submitted or are not deemed to be satisfactory, the Australian Government may deem that the Funding Agreement has been breached and Parties to the Funding Agreement may be required to repay the whole or a portion of the funding received.

Funding Agreements may only be executed by:

- person(s) who are legally authorised to bind the Recipient(s) by entering into an agreement with the Australian Government;
- any third party where the equipment or capital facility will be located or built on land owned by the third party; or
- the relevant party approved by the department to administer the funding.

3.4 Funding Obligations

For each Early Learning and Care Centre, the Funding Agreement will include obligations for the construction of the Early Learning and Care Centre and the ongoing operation of the centre, such as a purpose clause, which will stipulate that a service must be provided for a time frame commensurate with the level of capital funding provided.

3.5 Goods and Services Tax

If Goods and Services Tax (GST) is payable by a Funding Recipient on the transaction between the Australian Government and the Funding Recipient, the Australian Government will increase the funding to cover the GST payable.

3.6 Variations to Approved Projects

Requests to seek additional funding to contracted amounts will not be considered. Where the Funding Recipient deems that exceptional circumstances will prevent or hinder the successful completion or operation of an Early Learning and Care Centre, the Funding Recipient may request the department's consideration of these circumstances and potential remedies (excluding providing additional funds). Requests to substitute a new project for the original proposal will not be approved. Requests to transfer funds from one project to another will not be approved. Minor variations to the timing of key milestones will be considered by the department on a case by case basis if they do not impact on the delivery of the centre by the agreed completion date. All requests for variations must be submitted in writing to the department's Program Manager at:

Program Manager
New Early Learning and Care Centres
Child Care Programs Branch
Department of Education Employment and Workplace Relations
GPO Box 9880
CANBERRA ACT 2601

3.7 Payments and Acquittals

Before the first payment can be made a Funding Agreement must be signed by all relevant parties and a properly rendered tax invoice submitted to the department. If funding has been approved subject to meeting certain conditions, evidence must be provided to the department that the conditions for funding have been met.

Subsequent payments will be made according to the payment schedule agreed in the Funding Agreement.

An acquittal is a formal statement by the Funding Recipient of income and expenditure (see subsection 4.1.2 for more information). Details and requirements for acquittals will be set out in the Funding Agreement.

3.8 Australian Government Right to Repayment

The Australian Government will provide funding for the capital asset but will not own the capital asset.

Under this Program, the Australian Government retains, for a period of time commensurate with the level of funding, from the date of the completion of a Project, a right to repayment of funds. Parties to the Funding Agreement may be required to repay the whole or a portion of the funds should the facilities be sold or cease to be used principally for the purpose approved by the Australian Government.

If there is evidence that an applicant has used the funding for a purpose outside the scope of the approved Project without Australian Government approval, the

applicant may be required to repay a portion of the funding to the Australian Government.

3.9 Recognition of Australian Government Assistance

Funding agreements will contain a requirement that the Funding Recipient give appropriate recognition of the assistance received from the Australian Government. This includes participating in an official launch of the centre and/or other public announcements.

4. Monitoring and Evaluation

4.1 Reporting Requirements

4.1.1 Progress Reports

Funding Recipients will be required to submit progress reports to the department in accordance with the schedule of the Funding Agreement.

The purpose of each progress report is to demonstrate to the Australian Government that the construction of the Early Learning and Care Centre is progressing according to the agreed construction schedule and in compliance with the Funding Agreement.

4.1.2 Final Acquittal Report

Funding Recipients will be required to submit a final acquittal report. The final audited report required by the department verifies that funding provided under the Funding Agreement has been expended for the approved purposes of the Project and any other matters required by the department for its own, or any Australian Government accountability purposes.

The Final Acquittal Report will need to include an independently audited report for the final year of the Funding Agreement and must attach all previous End of Financial Year Acquittal Reports which, together with the Final Acquittal Report, verify that funding provided has been expended for the approved purposes of the Project.

4.1.3 Completion Report

Funding Recipients will be required to provide the department with a Completion Report for each Early Learning and Care Centre that they are funded to deliver.

A Completion Report will need to contain information verifying that the construction of the centre has been completed as agreed in the Funding Agreement. Additionally, a Completion Report will need to include copies of the Certificate of Occupancy and all other appropriate certificates and documents demonstrating compliance with building codes, health regulations and any other state, territory or local government authority requirements.

The Completion Report is important for documenting what was achieved with the funds provided for the Project under the Program. Information provided in this report will be used to inform overall Program evaluation and reporting.

4.2 Program Monitoring

The department may undertake monitoring activities to verify that the Program construction and service provision are delivered in accordance with the conditions of the Funding Agreement.

In order for the Australian Government to fulfill its obligations under the *Archives Act 1983*, Funding Recipients will be required to store all records in a secure place not

accessible by unauthorised persons and retain all records of the Project for a minimum period of 7 years from the date the last action is completed.

Financial records will need to be kept in accordance with financial year accounting standards. Funding Recipients will be required to provide access to employees, premises and material relevant to the Project if required by the department, subject to reasonable notice. Investigations officers of the department's Investigations Branch, when investigating any alleged or actual breaches of the law, will require full access to premises and records in relation to the Program. Such access may be without notice.

Where the department deems that a progress report in relation to an Early Learning and Care Centre is not satisfactory, the department's representatives may visit the Project site, to monitor the progress of the Project.

4.3 Program Review

The department will be responsible for reviewing the Program and will draw on data and information from a range of sources to evaluate the Program's appropriateness, effectiveness and efficiency in achieving outcomes.

Key stakeholders will be required to participate and contribute to evaluation activities. Information provided by Funding Recipients will inform overall Program evaluation and reporting, including to Parliament.

5. Additional Information

5.1 Freedom of Information

All documents held or created by the department with regard to the Early Learning and Care Centres Program are subject to the *Freedom of Information Act 1982* (FOI Act). Unless a document falls under an exemption provision, it will be made available to the general public if requested under the FOI Act.

All FOI requests received by the department are to be referred immediately to the FOI Coordinator in the Legal, Investigations and Procurement Group, in the Department's National Office as there are strict statutory timelines that apply to FOI requests.

Decisions regarding requests for access will be made by the authorised decision-maker in accordance with the requirements of the FOI Act.

5.2 The Privacy Act

It is possible that personal information about individuals may be collected during the funding application process. The department is bound, in administering the Program, by the provisions of the *Privacy Act 1988* (see www.privacy.gov.au).

Section 14 of the Privacy Act contains the Information Privacy Principles (IPPs) which prescribe the rules for handling personal information (see www.privacy.gov.au/publications/ipps.html).

Persons, bodies and organisations involved in the Program must abide by the IPPs and the Privacy Act when handling personal information collected for the purposes of that Program. In brief, this means that those persons, bodies and organisations must ensure that:

- personal information is collected in accordance with IPPs 1-3;
- suitable storage arrangements, including appropriate filing procedures, are in place;
- suitable security arrangements exist for all records containing personal information;
- access to a person's own personal information held by the organisation is made available to the person at no charge;
- records are accurate, up-to-date, complete and not misleading;
- where a record is found to be inaccurate, the correction is made;
- where a person requests that a record be amended because it is inaccurate but the record is found to be accurate, the details of the request for amendment are noted on the record;
- the personal information is only to be used for the purposes for which it was collected, or for other purposes where expressly allowed by IPP 10; and
- personal information is only disclosed in accordance with IPP 11.

5.3 Privacy Complaints

Complaints about breaches of privacy should be referred to the Privacy Contact Officer in the Legal, Investigations and Procurement Group, in the department's National Office. Privacy complaints can be made directly to the Federal Privacy Commissioner, however, the Federal Privacy Commissioner prefers that the department be given an opportunity to deal with the complaint in the first instance.

6. Glossary

Access: A family is considered to have 'access' to early childhood education when a place is available in a quality early childhood education program where neither distance nor cost present a barrier to attendance.

Agreement Period: commencing on the date the Funding Agreement is signed and ceasing once the centre has been operational for 20 years.

Autism Specific Child Care Centres: Centres which will provide dedicated early learning programs for children with autism spectrum disorders (ASD) aged 0 to 6 in a long day care setting. Programs delivered to children will be provided individually and with their peers. Enrolment of a child with ASD at an autism specific centre will provide their parents/carers with opportunities for support, respite, work and/or study.

Child Care: Broad interpretation includes Long Day Care (LDC), Family Day Care (FDC), Outside School Hours Care (OSHC), Occasional Care etc.

Australian Government (the): The legal entity for Funding Agreements.

Early Childhood: The period from 0-8 years to encompass the transition to school. The major policy focus will be on years 0-5.

Early Learning and Care: Incorporates preschool and child care for children between 0-5 years of age.

Early Learning: Refers to 'education' children receive (from stimulation, experience and play-based activities) in the years from 0 to 5.

Final Acquittal Report: The final audited report required by the department verifying that Funding provided under the Funding Agreement has been expended for the Approved Purposes of the Project, and any other matters required by the department for its own or any Australian Government accountability purposes.

The Final Acquittal Report must include an independently audited report for the final year of the Funding Agreement and must attach all previous End of Financial Year Acquittal Reports which, together with the Final Acquittal Report, verify that funding provided has been expended for the Approved Purposes of the Project.

Funding Agreement: The Funding Agreement is the document signed by the Funding Recipient and the Commonwealth in relation to the delivery of Early Learning and Care Centres.

Funding Recipient: The Funding Recipient is the organisation undertaking the Project and to whom allocated funds are paid.

Integrated services: At the narrowest interpretation, means a combination of preschool and child care, but has the potential to refer to a much broader co-location (or direct relationship between) services for children and the parents of young children.

Long Day Care: Long day care (LDC) is a centre-based form of child care service. LDC services provide quality all-day or part-time care for children of working families and the general community. Private operators, local councils, community organisations, employers or non-profit organisations may run these services. Services must ensure that placement of children is in line with the Priority of Access Guidelines. LDC services must comply with applicable state and territory regulations when providing care to children.

Milestones: Significant events or points in time, which frequently mark the start or completion of a phase or activity in the Project. Both the achievement and non-achievement of a milestone is monitored and reported and may be linked to payments

Progress Performance Reports: Reports from the Funding Recipient that provides performance information about the Project's progress i.e. actual results in terms of performance indicators.

Quality: A service is provided in accordance with national child care quality standards.

Stakeholder: People, organisation or agencies that have an interest in the Project.

Appendix A

Early Learning and Care Centres

Locations for the 38 Early Learning and Care Centres
New South Wales
<ul style="list-style-type: none">• Bondi Junction• Fairlight• Faulconbridge• Hazelbrook• Inner West Sydney• Killara• Milperra• Newcastle• North Ryde• Queanbeyan• South Western Sydney (Autism Specific Centre)
Victoria
<ul style="list-style-type: none">• Bendigo• Craigieburn• Foster• Hurstbridge• Melbourne City (Autism Specific Centre)• Moe• Port Melbourne• St Kilda/East St Kilda• Upwey• Yarraville• Tullamarine
Queensland
<ul style="list-style-type: none">• Amberley• Brisbane City (Autism Specific Centre)• Cairns• Gladstone• Townsville• Weipa
Western Australia
<ul style="list-style-type: none">• Darch• Karratha

<ul style="list-style-type: none"> • Mirrabooka • North Perth (Autism Specific Centre) • Port Hedland
Northern Territory
<ul style="list-style-type: none"> • Darwin (Wulagi) • Palmerston
Tasmania
<ul style="list-style-type: none"> • Beaconsfield • North-west Tasmania (Autism Specific Centre)
South Australia
<ul style="list-style-type: none"> • Adelaide (Autism Specific Centre)