

Senate Community Affairs Committee
ANSWERS TO ESTIMATES QUESTIONS ON NOTICE
SOCIAL SERVICES PORTFOLIO
2015-16 Budget Estimates Hearings

Outcome Number: 2.4 Support for Child Care System Question No: SQ15-000430

Topic: Child care safety net

Hansard page: written

Senator Lines, Sue asked:

With reference to the Minister's Media Release of 8 May 2015 which stated the Government would introduce a Community Child Care Fund from July 2017 which will include support for:

- disadvantaged communities, including remote Indigenous communities and rural areas to strengthen the integration of child care services with other community services,
- low income families in high child care cost areas to reduce financial barriers,
- services operating in low viability markets, subject to clear requirements on how to improve business practice, and
- a co-contribution towards new buildings, expansions and/or extensions to services in areas of demonstrated high demand and low child care availability.

In relation to Budget Based Funded Services:

1 - What will the arrangements be for budget based funded services under the new model?

2 - Will they continue to be funded on the service level, or will the services move to per child funding?

3 - Does the Department expect any services to become unviable as a result of the changes? Is it possible that some communities will be left without any service at all?

4 - How many families, children and services in each year are expected to benefit from this program? How does this compare to the number that would benefit from the Budget Based Funded program?

5 - Will the overall funding for this new program in 2017-18 be more or less than the expected expenditure on the Budget Based Funded services program in 2016-17?

In relation to assistance for low income families in high cost areas:

6 - What assistance will be provided to low income families in high cost areas?

7 - What will the level of assistance be and how will eligibility be determined?

8 - On what basis will areas be deemed high-cost? Which areas will be included?

9 - How much money will be allocated to the program each year? How many additional places will it create?

In relation to co-contributions to capital expansion:

10 - What assistance will be provided towards new building, expansions and extensions? How much will this total in each year of the program?

11 - How will eligibility be determined?

12 - How much will be spent on this part of the program in each year? How many additional places is this expected to create?

Answer:

1 - The Budget Based Funded (BBF) Programme will cease on 30 June 2017. Over the next two years, services currently funded through the BBF programme will be supported to transition to new funding arrangements.

2 - It is anticipated that those BBF services delivering child care will move to child based funding and many will also be eligible for grants through the Child Care Safety Net.

3 - No. Each current BBF service will be supported to transition to new funding arrangements that best support the needs of the communities in which they operate. It is anticipated that this will mean all communities currently supported by a BBF service will continue to have access to an early childhood service from 1 July 2017.

4 - It is estimated that the Community Child Care Fund (CCCF) will support around 4,000 services around the country. As the CCCF is designed to support services, it is not possible to quantify the number of families and children that will be affected. It is not possible to compare the CCCF and the BBF programme as their scope and objectives are different.

5 - It is not possible to compare funding for the CCCF and the BBF programme as their scope and objectives are different.

6, 7 and 8 - The detail about level of support, eligibility, definition of high cost etc. for the access and affordability component is being finalised as part of the Regulation Impact Statement.

9 - Funding has been allocated at the overall CCCF programme level and not by component. The access and affordability component of the CCCF is not designed to provide additional places.

10 and 11 - The detail about level of assistance and eligibility etc. for the capital support component is being finalised as part of the Regulation Impact Statement.

12 - Funding has been allocated at the overall CCCF programme level and not by component. As services will need to apply for funding and provide a co-contribution towards capital projects the Department is not able to estimate the number of places this component of the Fund would support.