

Senate Committee: Education and Employment

QUESTION ON NOTICE Additional Estimates 2016 - 2017

Outcome: Early Childhood and Child Care

Department of Education and Training Question No. SQ17-000124

Senator Hanson-Young, Sarah provided in writing.

BBF services

Question

Will mobile services, BBF services be funded under the new model? Many services are concerned that they won't be able to sustain themselves without specific funding. What will be done to support them?

Answer

- Yes, Budget Based Funded (BBF) services, including mobiles, will continue to have access to funding under the new model. In preparation, the government is already providing tailored assistance to each BBF service so that they can continue to provide a valued community service.
- In the new system, BBF services will be able to access three streams of funding:
 - Unlike the current BBF program, which is capped, income from the Child Care Subsidy (CCS) can increase as the number of eligible children in attendance grows.
 - Similarly, the Additional Child Care Subsidy (ACCS) will also support families based on their individual needs.
 - In addition to CCS and ACCS, services that deliver child care will be able to seek supplementary, tailored sustainability funding under the Community Child Care Fund (CCCF). The CCCF is a \$110 million fund every year under the new child care package.
- The Australian Government has set aside \$61.8 million within the CCCF for BBF services, which is equivalent to funding currently provided under the BBF program, to ensure their viability in the new system. This amount will be indexed into the future, and is in addition to fee income that will be available to BBFs under the CCS and the ACCS.
- BBF services will be able to apply through the non-competitive process. Together the CCS, ACCS and CCCF income streams guarantee that BBF services will be better off into the future.
- The balance of CCCF funds will be available under the competitive grant process.
- Initial funding agreements for the CCCF will be offered for three to five years in recognition that transition may take some time and that services need certainty.