

Review of NSW Government funding for early childhood education

Terms of reference

The NSW Government has agreed that the following terms of reference will guide the work of the independent reviewer, Professor Deborah Brennan.

1. The funding review will provide recommendations to:

- a. Support all children in New South Wales having universal access to a quality early childhood education program in the 12 months prior to formal schooling by 2013.
- b. Develop an evidence-based funding system to increase access and participation for all children to universal early childhood education and care services in keeping with State and national policy.
- c. Achieve funding arrangements that are transparent, equitable, financially viable and sustainable, deliver value for money, and are efficient and effective in meeting the NSW Government's objectives.

2. The funding review will report directly to the Minister for Education and will involve consultation with key stakeholders.

3. The review will consist of four elements. In formulating its advice, the review will consider the following:

3.1 Element One

- a. Analyse and compare international and Australian early childhood education and care funding arrangements.
- b. Assess current access and participation rates in New South Wales and identify where objectives are being met and where there are gaps, the range of cost drivers, projected supply and demand and other critical factors affecting participation and access to early childhood education programs.

3.2 Element Two

- c. Recommend funding principles that are evidence-based, universal and targeted and provide:
 - i. extra assistance to:
 - families in disadvantaged circumstances
 - children in low-income households
 - children of Aboriginal and Torres Strait Islander background
 - families in regional and rural areas
 - children with special and additional support needs
 - and other possible priorities
 - ii. appropriate solutions for areas with limited supply of preschool services
 - iii. appropriate arrangements for supporting a qualified and skilled workforce, and
 - iv. consideration of capital requirements.



3.3 Element Three

- d. Develop a sound model and funding strategies, administrative changes and mechanisms that:
 - i. enable effective and efficient deployment of government investment
 - ii. improve participation rates and affordability
 - iii. establish simple and workable solutions for service providers and families
 - iv. identify appropriate accountability mechanisms to ensure investments are delivering expected results, and
 - v. identify funding shortfalls.

3.4 Element Four

- e. Recommend methodology to pilot (where appropriate) and to evaluate the approved funding model and strategies.

4. At the conclusion of the review, the appointed reviewer will produce a report with recommendations on strategies and actions that can be undertaken to improve the funding of early childhood education services in New South Wales. In preparing the report to the Minister, the reviewer will:

- a. Consult directly with stakeholders, as appropriate
- b. Invite public submissions from interested parties
- c. Publish a report outlining recommended actions.

Scope

5. The following programs and sources of funds will be in the scope of the review:

- a. Subsidies for not-for-profit preschools
- b. Preschool Investment and Reform Program
- c. NPECE (Commonwealth funding)
- d. Long day care subsidies
- e. Occasional care subsidies
- f. Supporting Children With Additional Needs (SCAN) program
- g. Intervention Support Program (ISP)

The above programs are the responsibility of the Department of Education and Communities.

6. Government-run preschools, operated by the Department of Education and Communities, will also be within scope of the review.