

Start Strong funding comparison

For community preschools

| Area | Former Preschool Funding Model (PFM) | Start Strong | Release date | | | | | | |
|---|--|----------------------------------|--|--|--|---|---|---------------------------------|--------------------------|
| Eligibility for government subsidy | 4 and 5 year olds, and 3 year olds from low income and Aboriginal families | No change | 1 January 2017 | | | | | | |
| Base rate measure | Measure based on the SEIFA of the suburb in which the service is located | No change | 1 January 2017 | | | | | | |
| Base rates | 18 funding bands ranging from \$1,850 to \$5,402 per child per year: | | <p>Early Adopters</p> <p>From 1 January 2017, early adopters of Start Strong will receive the new higher base rate for all 600 hour enrolments. A child enrolled for less than 600 hours will receive PFM base rates.</p> <p>All Approved Funded Providers</p> <p>From 1 July 2017, the PFM will no longer apply. A child enrolled for 600 hours or more will receive the higher base rate under Start Strong. A child enrolled for less than 600 hours will receive a percentage of the higher base rate based on hours enrolled.</p> | | | | | | |
| | Per child hours of enrolment per year | 600 hours or more | | 480 to less than 600 hours | 400 to less than 480 hours | 320 to less than 400 hours | Greater than 240 to less than 320 hours | 240 hours or fewer | |
| | Indicative average hours per week, based on a 40 week year | 15 hours per week or more | | 12 to less than 15 hours per week | 10 to less than 12 hours per week | 8 to less than 10 hours per week | Greater than 6 to less than 8 hours per week | 6 hours per week or less | |
| | Funding Band | Per child base rate | | (100% of base rate) | (50% of base rate) | (35% of base rate) | (20% of base rate) | (5% of base rate) | (0% of base rate) |
| | Band 1 | \$5,402 | | \$6,600 | \$3,300 | \$2,310 | \$1,320 | \$330 | \$0 |
| | Band 2 | \$5,402 | | \$6,600 | \$3,300 | \$2,310 | \$1,320 | \$330 | \$0 |
| | Band 3 | \$5,224 | | \$6,600 | \$3,300 | \$2,310 | \$1,320 | \$330 | \$0 |
| | Band 4 | \$5,105 | | \$6,600 | \$3,300 | \$2,310 | \$1,320 | \$330 | \$0 |
| | Band 5 | \$4,986 | | \$6,600 | \$3,300 | \$2,310 | \$1,320 | \$330 | \$0 |
| | Band 6 | \$4,867 | | \$6,600 | \$3,300 | \$2,310 | \$1,320 | \$330 | \$0 |
| | Band 7 | \$4,748 | | \$6,600 | \$3,300 | \$2,310 | \$1,320 | \$330 | \$0 |
| | Band 8 | \$4,629 | | \$6,600 | \$3,300 | \$2,310 | \$1,320 | \$330 | \$0 |
| | Band 9 | \$4,013 | | \$6,413 | \$3,207 | \$2,245 | \$1,283 | \$321 | \$0 |
| | Band 10 | \$3,563 | | \$5,963 | \$2,982 | \$2,087 | \$1,193 | \$298 | \$0 |
| | Band 11 | \$3,493 | | \$5,893 | \$2,947 | \$2,063 | \$1,179 | \$295 | \$0 |
| | Band 12 | \$3,297 | | \$5,697 | \$2,849 | \$1,994 | \$1,139 | \$285 | \$0 |
| | Band 13 | \$2,925 | | \$5,325 | \$2,663 | \$1,864 | \$1,065 | \$266 | \$0 |
| | Band 14 | \$2,612 | | \$5,012 | \$2,506 | \$1,754 | \$1,002 | \$251 | \$0 |
| | Band 15 | \$2,359 | | \$4,759 | \$2,380 | \$1,666 | \$952 | \$238 | \$0 |
| Band 16 | \$2,085 | \$4,485 | \$2,243 | \$1,570 | \$897 | \$224 | \$0 | | |
| Band 17 | \$1,850 | \$4,250 | \$2,125 | \$1,488 | \$850 | \$213 | \$0 | | |
| Band 18 | \$1,850 | \$4,250 | \$2,125 | \$1,488 | \$850 | \$213 | \$0 | | |

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| Service Safety Net | Not part of the former Preschool Funding Model (PFM) | <p>A Service Safety Net will provide an allocation of \$132,000 per annum to services that meet all of the following eligibility criteria:</p> <ul style="list-style-type: none"> provide a minimum of 600 hours of quality early childhood education per year has a licensed capacity of 20 or fewer children under the Children (Education and Care Services National Law Application) Act 2010 has a minimum of five eligible children each enrolled for 600 hours or more per annum* has a maximum of 20 eligible children enrolled for 600 hours or more per annum (enrolments of non-eligible children are not counted for Service Safety Net purposes) has an ARIA+ classification of Inner Regional, Outer Regional, Remote or Very Remote has daily fees less than \$55 per day for any eligible child attending the service <p><i>* A service may still qualify for the Service Safety Net if, over the last three years, it meets the minimum enrolment criteria</i></p> | 1 January 2017 |
| Low Income & Equity Funding Rates | The base rate for children aged 3 and over from low income and Aboriginal families is \$5,402 per child per year across all locations. | <p>The base rate for children aged 3 and over from low income and Aboriginal families enrolled for 600 hours or more is \$6,600 per child per year across all locations.</p> <p>Children from both an Aboriginal and a low income background will only be eligible for one amount of equity loading per child.</p> <p>Equity funded children enrolled for fewer than 600 hours will attract a percentage of the funding rate calculated according to their hours of enrolment.</p> | <p>Early Adopters</p> <p>From 1 January 2017 children aged 3 and over from low income and Aboriginal families enrolled for 600 hours or more will receive the highest base rate of \$6,600 available under Start Strong.</p> <p>1 January 2017 to 30 June 2017, children aged 3 and over from low income and Aboriginal families enrolled for less than 600 hours will receive the highest base rate available under the PFM of \$5,402.</p> <p>From 1 July 2017, children aged 3 and over from low income and Aboriginal families enrolled for less than 600 hours will receive a percentage of the highest base rate available under Start Strong.</p> |
| English language loading | The language loading for children with English language needs is \$410 per eligible child per annum on top of the base rate regardless of service location. | <p>The language loading for children with English language needs is \$410 per eligible child per annum on top of the base rate regardless of service location.</p> <p>The loading will apply when the service selects 'English Language Assistance Required' in the Preschool Census, and is not dependent on 600 hours enrolments.</p> | 1 January 2017 |
| Regional loading (previously known as service loading) | <p>On top of the base rate funding:</p> <ul style="list-style-type: none"> Preschools in ARIA+ remote and very remote areas will receive an additional loading of \$1,281 per eligible child per annum. Preschools in ARIA+ outer regional areas will receive an additional loading of \$871 per eligible child per annum. | <p>No change</p> <p>This loading is not dependent on 600 hours enrolments.</p> | 1 January 2017 |
| Higher Order Multiple base rate | <p>Equity Funding for higher order multiples of children is treated as a service loading under the PFM. The rate of \$5,402 for each child from the third child in the multiple onwards (i.e. not for the first two children). The loading is applied under the following circumstances:</p> <ul style="list-style-type: none"> Only for families with triplets or multiple children above triplets, i.e. quadruplets, septuplets etc. Only for 4 and 5 year old children. <p>Evidence of applicability will be based on Preschool Census data that shows the siblings:</p> <ul style="list-style-type: none"> Have the same date of birth (copy of Birth Certificate to be kept by the preschool service provider enrolling the children), Live at the same address, and Are enrolled at the same preschool. | <p>The Higher Order Multiple base rate is \$6,600 for each child from the third child in the multiple onwards (i.e. not for the first two children) regardless of hours enrolled.</p> <p>All application and evidence requirements remain the same.</p> | 1 January 2017 |

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|--|---|--|---|-------------------------------|----------|---------------------|----------|---------------------|----------|---------------------|----------|---------------------|----------|---------------------|----------|----------------------|-----------|----------------------|-----------|----------------------|-----------|----------------------|-----------|----------------------|-----------|----------------------|-----------|---|--|
| Funding cap scaling | A service's funding cap is the maximum number of per-child rates that a service can be funded for and is based on the number of 15 hours per week preschool enrolments it is able to offer. | Funding cap scaling will be removed under Start Strong from 1 July 2017 . | Removal of Funding cap scaling effective 1 July 2017 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Operational scaling | This relates to the number of hours per day and weeks per year a preschool operates. Preschools that operate for fewer than 6 hours per day and/or 40 weeks per year will have their funding amount scaled accordingly. Operational scaling was put in place under the former Resource Allocation Model (RAM) funding to encourage 15 hours of preschool access for all children in the service. It remained the same under the PFM. | Operational scaling will be removed under Start Strong from 1 July 2017 . | Removal of Operational scaling effective 1 July 2017 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Mobile Preschools | Mobile preschool services that completed the Operational Support Program and demonstrated that they met all the mobile eligibility criteria were offered an 'opt in' fixed term contract. Contracts were offered in January 2016 and were based on the August 2015 preschool census data. | Mobile Preschools are not in scope under Start Strong. Mobile preschools on a fixed term mobile contract will continue to receive funding as per the terms of the mobile contract. Mobile preschools that elected not to enter into a fixed term mobile contract will be funded under Start Strong. | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Preschools for Sustainable Communities (PSC) | Funding is calculated based on the difference between a service's previous funding level and the 2016 PFM allocation: <ul style="list-style-type: none"> Rural and remote services with no other neighbouring services within a 10km radius receive 100% of the difference. All other rural and remote services receive 80% of the difference. Funding under this program is capped at \$70,000. The program commenced in 2016. The program replaces existing 2016 transition funding for all eligible services. | The Preschools for Sustainable Communities Program will cease on 1 January 2017. It will be replaced by the Service Safety Net funding component. However, Preschools for Sustainable Communities funding will be extended to 30 June 2017 for those preschools that received the funding in 2016/17 and are not eligible for the Service Safety Net. | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Preschool Disability Support Program | Universal Disability Loading Preschools located in metropolitan areas receive \$60 per eligible child per annum. Preschools located in rural and remote areas receive \$75 per eligible child per annum. Targeted Child Support PDSP Child Focused Targeted Support is an application-based program for eligible children. Funding is based on applications from preschools for individual children for up to 600 hours per year, based on three daily rates: Level 3: \$120 per day for children who require intensive support to participate in preschool Level 2: \$90 per day for children require considerable assistance to participate in preschool Level 1: \$45 per day for children who required moderate help to participate in preschool. | No Change | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Community Preschool 600 hours incentive | The incentive provides additional funding for community preschools to encourage services to increase their enrolment of 4 and 5 year old children in quality preschool programs for 600 hours per year in 2016, while maintaining the number of 4 and 5 year old children enrolled. 600 hours performance increase and related bonus levels: <table border="1" data-bbox="236 1585 715 2011"> <thead> <tr> <th>Increase in proportion of 4 and 5 year old children enrolled for 600 hours</th> <th>PFM bonus*</th> </tr> </thead> <tbody> <tr><td>Less than 5 percentage points</td><td>No bonus</td></tr> <tr><td>5 percentage points</td><td>5% bonus</td></tr> <tr><td>6 percentage points</td><td>6% bonus</td></tr> <tr><td>7 percentage points</td><td>7% bonus</td></tr> <tr><td>8 percentage points</td><td>8% bonus</td></tr> <tr><td>9 percentage points</td><td>9% bonus</td></tr> <tr><td>10 percentage points</td><td>10% bonus</td></tr> <tr><td>11 percentage points</td><td>11% bonus</td></tr> <tr><td>12 percentage points</td><td>12% bonus</td></tr> <tr><td>13 percentage points</td><td>13% bonus</td></tr> <tr><td>14 percentage points</td><td>14% bonus</td></tr> <tr><td>15 percentage points</td><td>15% bonus</td></tr> </tbody> </table> *Bonus to be paid represents a percentage of PFM for all 4 and 5 year olds enrolled in 2016 | Increase in proportion of 4 and 5 year old children enrolled for 600 hours | PFM bonus* | Less than 5 percentage points | No bonus | 5 percentage points | 5% bonus | 6 percentage points | 6% bonus | 7 percentage points | 7% bonus | 8 percentage points | 8% bonus | 9 percentage points | 9% bonus | 10 percentage points | 10% bonus | 11 percentage points | 11% bonus | 12 percentage points | 12% bonus | 13 percentage points | 13% bonus | 14 percentage points | 14% bonus | 15 percentage points | 15% bonus | The Community Preschool 600 hour incentive program has been removed under Start Strong. | Removal of Community Preschool 600 hours incentive effective 1 January 2017 |
| Increase in proportion of 4 and 5 year old children enrolled for 600 hours | PFM bonus* | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Less than 5 percentage points | No bonus | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5 percentage points | 5% bonus | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6 percentage points | 6% bonus | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 7 percentage points | 7% bonus | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 8 percentage points | 8% bonus | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 9 percentage points | 9% bonus | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 10 percentage points | 10% bonus | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 11 percentage points | 11% bonus | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| 13 percentage points | 13% bonus | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 14 percentage points | 14% bonus | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 15 percentage points | 15% bonus | | | | | | | | | | | | | | | | | | | | | | | | | | | | |