**Preschool fee reduction**

**How do I find out about my preschool fee reduction?**
- The Government will be contacting each community preschool service shortly with details about the funding they will receive to pass on in fee reductions for parents for the remainder of the year.
- The funding is to be used by preschool services to bring down fees for children in the year prior to school (children who turn 4 or 5 years old on or before 31 July 2013).
- Recognising the different ways in which services work with parents, each service will decide how it will pass on the fee reduction to families within the funding guidelines.
- Preschool services are required to write to parents to tell them about the funding, how it has been used to bring down fees from the start of term 2, and what their new fee will be for the remainder of 2013.

**How much will fees be reduced by?**
- The amount of fee reduction will vary for each preschool service, depending on factors such as the number of children enrolled and where the service is located. The amount per child will be higher for services in disadvantaged areas.
- As a guide, parents could see up to a 26% reduction in fees.

**I have a 3 year old in preschool. Why is my 3 year old not receiving a fee reduction?**
- The funding for fee reductions is part of the Commonwealth funding in the National Partnership on Early Childhood Education which requires NSW to target children in the year prior to school (4 and 5 year olds).

**How long is the fee reduction for? What about next year?**
- The fee reduction is a one-off for the remainder of the year that will be provided to community preschool services based on current funding arrangements.
- The Government will use this funding to keep fees as affordable as possible and to support preschool services in the transition to a new funding model from 2014 based on the recommendations of the Brennan Report.
- The future of Commonwealth funding beyond the current National Partnership remains uncertain. NSW will continue to work with the Commonwealth on a future funding agreement that will keep fees low for parents in the new model.

**Will Department-run preschools receive these reductions?**
- The fee reduction is only for community-run preschools currently receiving funding from the Government.
- The highest fee paid in Department-run preschools is $40 a day and preschool fees in disadvantaged areas are zero or close to zero. Principals also have the capacity to waive fees if cost is a barrier to access.

**Capital funding**

**How can my preschool service access capital funding?**
- Applications for funding will be invited by the Department of Education and Communities and will be open in the second half of 2013.
- Applications will be prioritised to rural and regional areas with the greatest unmet need for preschool places.

**The Brennan Review and a new funding model for preschool services**

**What did Professor Deborah Brennan’s Report recommend?**
- Professor Brennan recommended a number of directions and principles to underpin a new funding system for...
early childhood education in order to achieve the goal of affordable, universal access.

Professor Brennan’s most significant recommendations to change the current funding system included: concentrating government funding on children in the year prior to school (4 and 5 year olds); developing a needs based model that ties funding more closely to child disadvantage and tidying up other elements of the early childhood education grants system to ensure more alignment with State Plan and National Partnership objectives.

Professor Brennan’s Report is available on the NSW Department of Education and Communities website.

What is the Government’s response to Professor Brennan’s Report?

The Government has accepted virtually all of Professor Brennan’s recommendations and directions to underpin a new funding system for early childhood education. The Government’s response can be viewed on the Department of Education and Communities website.

The Government’s response includes the development of a new Resource Allocation Model to fund preschools. This will include a consultation process with the sector, with the aim of a new model to be finalised by the end of 2013 for commencement in 2014.

What was not supported in the Brennan Report by the Government?

Brennan recommended a ‘quality mark’ label for high quality services that they can use to promote their business. The Government did not support this because the new national regulatory system for early childhood education and care already provides this kind of quality assurance for the community.

Professor Brennan recommended the publication of service fees and charges using guidelines or a template provided by the Department. The Government did not support this as services already publish this type of information and need to have the flexibility to present information as needed.

What is happening with the Intervention Support Program (ISP) and the Supporting Children with Additional Needs (SCAN) programs?

As recommended by Professor Brennan, the Department of Education and Communities will review these programs in consultation with the sector so that appropriate program changes can be introduced for 2014.

When will a new funding model for preschools be introduced?

The NSW Government will work in consultation with the early childhood sector to introduce the new funding model for commencement from 2014.

This will give services and families time to have input into how the new model will work and to familiarise themselves with the new funding approach.

The NSW Government will help services and families to make the transition into the new system, with public consultation, development of resources to support the transition and strong stakeholder involvement.

What will the changes to funding mean for preschool services?

The new funding model will distribute funding for early childhood education and care in a fairer, more equitable way as recommended by Professor Brennan.

Funding will be matched to need much more closely than the current approach and will prioritise children in the year prior to school, and two years prior to school for disadvantaged children.

Services will also receive loadings for children from Aboriginal and disadvantaged families, and those with special needs.

Why is the Government focusing on 4-5 year olds now? What about 3 year olds currently in preschool?

Professor Brennan recommends focusing funding on children in the year prior to school which is in line with both State and National universal access targets.

The Commonwealth’s National Partnership on Early Childhood Education also requires all States and Territories to prioritise funding to 4 and 5 year olds.

However, the new Resource Allocation Model will also give priority to 3 year old children from disadvantaged families so that they can have access to two consecutive years of preschool.

Preschool services can still enrol and charge fees for younger children to attend.

The Government will ensure that preschool services are appropriately supported in the transition to the new funding model.

What about children in long day care? How will long day care services be supported?

The Commonwealth government has principal responsibility for supporting children in long day care while States have responsibility for supporting early childhood education. Traditionally the State has focused on community-based preschools.

The Brennan Report and the Government’s response recognises that there are many 4 and 5 year olds attending long day care who are or could be accessing a preschool program.

The NSW Government wants to encourage all services, including long day care centres, to provide high quality early childhood education experiences to children in the year prior to school and will consider the best way to ensure this occurs.