

21 November 2023

Early Childhood Education and Care Review
Independent Pricing and Regulatory Tribunal
PO Box K35
Haymarket Post Shop, Sydney NSW 1240

Re: Review of Early Childhood Education and Care Interim Report

Dear Tribunal Members,

Thank you for the opportunity to feedback on IPARTS Review of Early Childhood Education and Care Interim Report (the Interim Report). The current review is essential, and offers opportunity to emphasize the current gaps, barriers and challenges that NSW Aboriginal Community Controlled Organisations (ACCOs) providing early childhood education and care (ECEC) services have been experiencing, across the state within Multifunctional Aboriginal Children's Services (MACS), Aboriginal Child and Family Centres (ACFCs), and Community Pre Schools.

SNAICC is the national non-government peak body for Aboriginal and Torres Strait Islander children. We work for the fulfilment of the rights of our children, to ensure their safety, development, and well-being. Our work comprises policy, advocacy, and sector development. SNAICC also works with non-Indigenous services and alongside Commonwealth and State Governments to improve how agencies design and deliver supports and services for Aboriginal and Torres Strait Islander children and families.

Aboriginal Community Controlled Organisations (ACCOs) deliver culturally safe and wrap around supports for families and are places for cultural and community connection and care. The culturally responsive and holistic way that ACCOs provide services make them best placed to meet the needs of children and families and provide early support that prevents contact with tertiary systems. However, ACCOs are chronically underfunded, leaving Aboriginal and Torres Strait Islander children and families without the supports they need. Funding challenges extend further than just the core amount of money provided to ACCOs for service delivery. Competitive grant and tender processes disadvantage ACCOs, especially smaller ACCOs, because larger non-Indigenous organisations have the advantage of economies of scale that can mean lower costs but not culturally safe or responsive services. The funding that is allocated to ACCOs is delivered under strict programmatic guidelines, meaning that funding can only be used under pre-determined activities and timeframes. In most cases these guidelines do not cover the type of support that ACCOs know are most useful and effective. ACCOs are doing some of the most impactful work for children and families unfunded.¹

Not having access to the same level of services and supports as other children and families create vulnerabilities for Aboriginal and Torres Strait Islander children impacting their social and emotional wellbeing and ability to achieve developmental milestones. These systems have been designed by Governments that have excluded Aboriginal and Torres Strait Islander people from decision making, limiting their ability respond directly to the needs of community.

ACCO early years services operate within a mainstream system that rarely recognises or accounts for the complexity of the communities they operate within, the importance of embedding culture in their services and the cultural governance and accountability that underpins these organisations. Service leaders are often forced to 'walk in both

¹ SNAICC 2022, 'Stronger ACCOs, Stronger Families Final Report'. Retrieved from: [SNAICC-Stronger-ACCOs-Stronger-Families-report-2022.pdf](#)

worlds' to ensure their operational viability – being accountable to their communities while taking on the business, administration and regulatory requirements set by a mainstream system that does not accommodate their cultural context. ACCOs also operate on a smaller scale within the local context, which provides benefits for local cultural leadership and tailoring of service delivery but does not provide the resources and efficiencies that come with larger economies of scale.

In preparing this submission, SNAICC held yarning circles with Aboriginal Child and Family Centres (ACFCs), Multifunctional Aboriginal Children's Services (MACS) and Community Preschools in New South Wales to listen too, and discuss current challenges and issues, sector gaps as they relate to the draft recommendations in the Interim Report.

Please find below feedback on IPART's draft findings and draft recommendations for your consideration.

Priority draft recommendations 1-3

Funding system overhaul for NSW ACCO ECEC Services

SNAICC support the draft recommendations around additional funding, and recommended a comprehensive review of the funding system as it is currently not fit for purpose. We strongly encourage collaboration between States, Territories and the Commonwealth to streamline funding systems, and work more cohesively together to develop a funding model that offers a better united approach. This will allow a funding approach that priorities access for Aboriginal and Torres Strait Islander families and children with lower incomes, and families from regional and remote communities; and who experience multiple vulnerabilities.

We would like to highlight the following concerns for NSW ACCOs regarding the current funding systems:

- Services' shared experiences of auditing processes in relation to small buckets of funding grants i.e (\$9,000) from various sources. This creates concerns for services, that they are not trusted and creates unnecessary administrative burdens. Because consequently ACCOs generally have up thirty plus different funding streams, in addition to their core funding, in order to deliver instrumental programs, and services.
- Yealy cyclical funding structures and last-minute notice of renewal of funding from state government, causes uncertainty for services, and communities.
- The challenges MACS have continued to experience since budget-based funding cuts occurred has some services losing 50% of their families and children; and is a contributing factor in children unable to access their service.
- Funding is currently based on preschool census projections, which can lead to a false sense of cash flow security for ACCOs. The current process of returning unutilised funds is undesirable and administratively burdensome.
- Options of getting funded based on licensed capacity might incentivise services to limit enrolments. This option also does not align with some services who provide ECEC for more children than their licensed capacity with part-time enrolments.
- Census numbers do not accurately reflect service delivery through a 12-month period due to the transient nature of Aboriginal communities, noting factors like family crises, illness, sorry business, and relocations.
- Affordability for families is a barrier to accessing education and care, and ACCO services do not discriminate by denying access, particularly to vulnerable families. ACCO services are committed to providing culturally appropriate education and care for their children Subsequently this means that the service is left with unpaid fees, with no ability to re-cover any monies. Some ACCO services on an annual basis are riding off thousands and thousands of dollars, of lost costs and revenue. Some of these unpaid fees are from state government departments, for children in out of home care who have been a prioritised placement.

SNAICC recommend significant consideration the following:

- Implementation of interim measures immediately through allocation of funding through the NSW Treasury Childcare and Economic Opportunity Fund; to make funding fit for purpose now; while reviews are being conducted and new systems put in place.
- A preschool funding model that is enabled to support essential services and recognises the efforts of individuals (for example to provide transportation and wrap around services).
- Developing and ensuring consistent funding under one system for all ACCOs, inclusive of MACS, ACFCs and Community Pre Schools, and acknowledging a distinction between each ACCO ECEC service and aligning funding models that support their unique service delivery.
- Acknowledge the need for long-term, secure funding that supports the workforce and employment security, is flexible to empower ACCOs communities, educators and families.
- Addressing the current funding challenges within the system prior to expansion of future services, so these issues are not carried forward.
- The activity test for child care subsidy be removed for Aboriginal and Torres Strait Islander families.
- Considerations around equity, access, and inclusion- Aboriginal and Torres Strait Islander children and families experience additional barriers in accessing affordability and we recommend system improvements and further action by the state government to prioritise and redress this issue.

Accessibility – availability and choice draft recommendations 4-9

Additional fee relief for preschools

SNAICC believe the need for additional fee relief for preschools; especially for children requiring extended attendance and suggested developing an approach that ensures immediate fee relief while accommodating the expansion of services.

The 600-hour affordable preschool scheme is complex and creates stress for families. SNAICC propose exempting Aboriginal and Torres Strait Islander children from the affordable preschool component.

Accessibility – inclusion draft recommendations 10-15

Additional wrap around services and supports.

SNAICC support the need for wrap around services, particularly for families experiencing disadvantage is instrumental for ACCOs. Many services use their own core funding to provide the gaps in wrap around services, which highlights the need for adequate funding to support this work. The additional social support wrap around support services are providing includes assisting parents with various tasks from tax compliance, immunisation checks, Centrelink support, Medicare, referrals for allied health services, food hampers etc

SNAICC advocates additional wrap around services / supports for ACCOs

- Funded key worker/ family support roles to coordinate allied health and other social support services for MACS and community pre schools.
- SNAICC emphasise the significance of cultural safety in allied health interactions so that children and families feel safe and secure and understand the process; subsequently meaning better engagement and outcomes for children and their families, (services are supporting families by going to appointments with them or providing cultural and trauma informed training to allied health professionals so they know how to work with community when they come in). ACCO services aren't funded to provide these additional social supports, and more often than not it's the service leaders/ centre managers.

- Some services for regional /remote services are fly in fly out for NDIS funded families / children, but concern is for those who haven't fallen into that category yet to support those children and families before they transition to school.
- SNAICC call for immediate additional funding support to allow ACCO services to upskill the current educator workforce, to build their capacity, emphasising the need to fund staff adequately for training and to be remunerated adequately to reflect their skillset.
- Some ACCO services report that children's toilet training is getting later, often not until children are 4 years old. That is the result of trauma that impacts their development and family's capacity with kinship arrangements, another support role that ACCOs play in offering those wraps around services and put in strategies to support children and families.

Allied health:

- Lack of NSW local health and allied services, especially in rural remote and regional areas, leads to late diagnosis and no early intervention. SNAICC have listened to ACCO services and support their recommendations that Aboriginal and Torres Strait Islander children should be screened at 3 years of age, not NSW Health age of 4years.
- Outsourcing and local partnerships, such as with Aboriginal Medical Services, have been successful in some regions around addressing the gaps. And fall short in others, predominantly due to limited funding and capacities of local provider.
- Early intervention is crucial for children entering school, and the current system is not adequately preparing them. ACCOs are the hubs to their local communities, they are trusted and provide culturally safe space for families. SNAICC advocate for a specific niche allied health team to be funded to provide "clinics on country" and cover different regions and rotate around the state to provide direct services to ACCO ECECs children and families.

Inclusion Support:

- ACCO services report children transitioning to kindergarten are increasingly going to school behind in more than one domain. Predominantly this intersects with lack of early intervention and/or a combination of poor attendance relating to affordability inaccessibility to , LDC or preschool services; and allied health services
- SNAICC advocate for 3-year-old as well as 4-year-old health checks to support earlier access to NDIS plans and early intervention before children transition to kindergarten.
- Challenges with the inclusion support program, including long waitlists for allied health appointments.
- ACCO services have indicated there is a need for ECEC professionals to be able to make direct referrals to allied health services, given their knowledge and expert subject matter of children, community and developmental milestones (this is something that preschools are able to do with NSW disability funding but not LDCs because of commonwealth inclusion support system)
- SNAICC supports ACCOs around observational assessments suggested by ACCOs as a means for improving the inclusion support program.

Additional services:

- SNAICC support the call by ACCOs , to allow educators additional scope for training, and allow ECTs to undertake screenings after a certification skillset has been undertake. This would subsequently allow services to have referral pathways to seek specialist early intervention, much earlier for children and families. This also must be adequately remunerated so that wages are reflective of additional services being delivered.

Accessibility – information draft recommendations 16-21

Accessibility – funding arrangements draft recommendations 22

Additional funding and grants

- SNAICC hear from services who are calling urge to address the ambiguity in defining ACCOs. This impacts on services to facilitate access to funding and grants (a service shared their experience of how it's been difficult to work out whether they can be defined as an ACCO or not which impacts their ability to be able to apply for funding and grants – definitions are very ambiguous and there is nobody to talk through to get support for services to navigate those systems)
- Most ACCO ACFCs, MACS and community preschools are having to seek out additional philanthropic grants/funding because core funding isn't suffice. Funding applications are being made for purchases of buy a school buses, general building kitchen maintenance, allied health service gaps etc. Subsequently this creates huge accountabilities and is a burden on service directors having to spend more time on additional administrative burdens and acquittal processes.
- SNAICC support further discussion amongst state government departments on funding, and where the funding goes, and where it should be held i.e by allied health, education, or redistributed to ACCOs
- ACCO services emphasise the need for flexibility in funding, and the need to often pivot to utilise funds according to centre needs. i.e funding may have been sourced for new resourcing, but the bus has broken down and the centre now requires to be able to adapt and pivot and respond.
- SNAICC recommended the state government should review current NSW funding programs and grants that support accessibility and inclusion; to ensure ACCO services are provided with greater flexibility in service delivery
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Transport Challenges:

- ACCO services experience challenges of transport and stories of children not accessing ECEC because it's too hot and can't get there e.g. no air conditioning so too hot at centre or no car and too hot to walk, mostly in remote, rural communities.
- Other ACCO services have limited funding capacity to purchase and/or upgrade buses as a consequence of ongoing funding issues.

Affordability of services draft recommendations 23-28

Additional Services:

- ACCO service's report huge funding disparities between the way MACS, community preschools and ACFCs are funded (for similar amount of children), close to \$500k difference. MACS and community preschools become limited in their ability to deliver wrap around supports beyond core ECEC components. As a result this significantly impacts their ability around other services to children and their families such as bus/transport services, fee reduction, additional staffing and remuneration, centre resources, maintenance on building or structures etc
- ACCO preschools report having to fill in the gaps like waiving fees for families, bringing in extra food for children who don't have it, as a consequence of lack of funding.

Supply of services draft recommendations 29-36

Workforce challenges

- SNAICC recognise the current and continuing workforce challenges across the sector in general, but more explicitly within the ACCO ECEC sector; and the urgency of addressing pay disparities across the sector; as well as ensuring government have funded ACCOs acceptably to pass on pay increases to staff.

Capacity Building:

- SNAICC support ACCOs call on improved pathways for educators to upskill and undertake tertiary ECT pathways, with options of being paid while studying.

Cultural Programs & Connection:

- ACCO services report there should be money available for services to implement a cultural program on an ongoing process that they can develop that's contextualised locally to best fit community, cultural programs that should include language revitalisation (share knowledge, story, culture, dance). It's not something that can be learnt at uni, it's passed on.
- SNAICC support this, and that cultural knowledge is not defined by western education.
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- Needs to be a more holistic view of culture (not just language). Everything is in it within that cultural framework, every piece of learning and problem solving, and creative thinking are basic things that are vital and embedded in culture. No one bucket of funding for this cultural element, it's all done in siloes. This is something that needs to happen in NSW but also nationally.
- ACCO services share stories of the value of getting a grandmother, aunty, cousins to spend hours at the preschool. This is an invaluable resource. But because nan is not an educator, but adds so much value, her input should be recognised and she should get paid, the contribution being made to the services is enormous.
- A culture program funding that includes language and payment for the local connections and elders to share knowledge and stories, but it needs to be flexible for services to deliver culturally appropriate programs responsive to need.

Provider costs and revenue draft recommendations 37-38

Challenges with buildings and maintenance/infrastructure:

- Emphasise the need for more funds for building, insurance, Workcover costs, and administrative requirements if services are to expand.
- Challenges with capital works, including issues with lease lengths and compatibility (e.g. NSW DOE won't accept leases under 10 years and NSW Land Council won't accept leases over 10 years, so services are setup to fail)
- SNAICC call on a 10-year plan to support services that need expansion or new buildings.

Additional comments

Implications:

- ACCO service and SNAICC call for a cost analysis of the work ACCOs do, emphasising the long-term social return on investment.

Recommendations for improvement:

- Emphasise the need for concrete strategies to address identified gaps. Services are sick of talking about it and not seeing any changes from policymakers.
- ACCOs are keen to be involved in strategy development and sharing solutions, they are creative thinkers and problem solvers and their ideas may seem radical to white policy, but are what will work for their communities

- Noted that there is a commitment from the government to find and deliver solutions, particularly in regard to wrap-around supports.
- Need a review of how the government perceives childcare and the need for a more holistic approach – there are complexities around the narrative of childcare, making mums go to work, but need to make children at the centre and highlight that is more than just childcare.

Strengthen Relationships:

- Need to strengthen relationships with NSW government departments (NSW DOE, DCJ, Health) to improve outcomes for Aboriginal and Torres Strait Islander children.

Final Recommendations:

SNAICC call on IPART to make a recommendation to provide additional fee relief for preschools and make Aboriginal and Torres Strait Islander children exempt from the 600-hour affordable preschool scheme (these limited hours mean children have to attend multiple centres to access fulltime care which is disruptive for vulnerable Aboriginal children and their families)

IPART should make a recommendation to overhaul the funding model to support ACCOs to deliver ECEC and wrap around supports for Aboriginal children that address the following challenges identified by SNAICC during community consultations with ACCOs:

- Address cyclical funding structures that cause uncertainty for ACCOs and emphasise the need for long-term, secure funding that supports employment security and is flexible for services to respond to the needs of their communities and empower community-led decision making
- Need for adequate funding to cover building and maintenance costs, transport options tailored to community needs (that also include funding to register, licence, run, maintain and repair vehicles) as well as administrative costs – without funding for these services, many Aboriginal and Torres Strait Islander children miss out on accessing ECEC
- Recognise the value of community and elders and provide funding to financially support their cultural contribution to services.
- Include adequate funding to train educators and build their capacity for specialist early intervention (and adequately remunerate them so that wages are reflective of their expertise and services being delivered)
- Provide funding for ACCOs to deliver various wrap-around supports including key worker role to coordinate services including allied health as well as embedding holistic ongoing cultural programs that are contextualised to community
- Funding to deliver 3- and 4-year-old health checks to support access to NDIS plans so that children receive diagnosis and appropriate early intervention prior to starting school
- Allow preschools to receive funding based on number of children attending or enrolled in their service rather than census projections (which are often inaccurate due to the transient nature of some Aboriginal children and families)

Yours Sincerely



Renee Moore

NSW Director- Early Years Support
SNAICC – National Voice for our Children