

## EXPLANATORY STATEMENT

### **Child Care Benefit (Eligibility of Child Care Services for Approval and Continued Approval) Amendment Determination 2005 (No.2)**

#### **Summary**

This Determination is made under subsection 205(1) of the **A New Tax System (Family Assistance)(Administration) Act 1999** (the Family Assistance Administration Act).

This Determination is a legislative instrument for the purposes of the **Legislative Instruments Act 2003**.

The purpose of this Determination is to amend the *Child Care Benefit (Eligibility of Child Care Services for Approval and Continued Approval) Determination 2000* (the Approval Determination) that sets out the eligibility rules for child care services to become, and remain, approved child care services for the purposes of child care benefit (CCB).

In relation to an approved centre based long day care service, it is a condition of continued approval of a service that the service complies with the Quality Improvement and Accreditation System (QIAS) in accordance with the requirements published by the National Childcare Accreditation Council (the Council).

The Council administers the QIAS in respect of centre based long day care services. The system is continually being developed and improved, and up-to-date information about the requirements of the system is communicated by the Council to the approved child care services through the Council's publications.

The requirements currently in force are those published in the Council's 2001 publications referred to in section 23 of the Approval Determination. In 2005, the Council published revised QIAS requirements, to be enforced from 1 January 2006.

This Determination amends the Approval Determination to include specific references to the 2005 QIAS publications of the Council.

Amendments made by this Determination will make compliance with the QIAS requirements published in 2005 a condition of continued approval of centre based long day care services. An explanation of those requirements is included under the heading 'Background'.

## Background

Under the ***A New Tax System (Family Assistance) Act 1999***, a person may be eligible for CCB for child care provided by an 'approved child care service'. An 'approved child care service' is a service approved under section 195 of the Family Assistance Administration Act. To continue to be approved, a child care service must comply with the eligibility rules (Approval Determination) determined by the Minister under subsection 205(1). Failure to comply with any of the eligibility rules may result in a sanction being imposed on the service under section 200, at the Secretary's discretion.

One of the conditions of continued approval that applies to centre based long day care services is the requirement to participate in the QIAS in accordance with any requirements published by the Council (paragraph 23(a) of the Approval Determination).

The Approval Determination operates to the effect that continued approval of the services that are registered to participate in the QIAS depends on the services' compliance with the requirements of the publications as captured by the Approval Determination. The Approval Determination currently in force captures the QIAS requirements specified in the *QIAS Source Book*, 1<sup>st</sup> edition, 2001, the *QIAS Handbook*, 2<sup>nd</sup> edition, 2001, and the *QIAS Self-study Report*, 2<sup>nd</sup> edition, 2001.

### *QIAS changes and consultation*

As a result of continuous evaluation and refinements to the administration of the QIAS, the QIAS publications have undergone revision during 2004-2005, to reflect improvements to the system and a reclassification of the current quality standards outlined in the *QIAS Source Book*, 1<sup>st</sup> edition, 2001. The Council introduced the changes to the QIAS after feedback from the long day care community identified a need for a further review of the system's quality care standards.

Two rounds of public consultation were undertaken, yielding feedback from long day care services, individuals, peak bodies, resource agencies, moderators, validators, the Accreditation Decisions Review Committee (ADRC) and other interested parties.

The revised QIAS publications are: the *QIAS Quality Practices Guide*, 1<sup>st</sup> edition, 2005, the *QIAS Handbook*, 3<sup>rd</sup> edition, 2005, and the *QIAS Self-study Report*, 3<sup>rd</sup> edition, 2005 (the QIAS 2005 publications).

The main areas of change in relation to the quality improvement and accreditation requirements included in the QIAS 2005 publications are as follows.

### The QIAS Quality Practices Guide

- The *QIAS Source Book*, 1<sup>st</sup> edition, 2001 has been renamed as the *QIAS Quality Practices Guide*, 1<sup>st</sup> edition, 2005;
- The 10 Quality Areas currently contained in the *QIAS Source Book*, 1<sup>st</sup> edition, 2001 have been reorganised into 7 Quality Areas for improved clarity;
- The existing 35 Principles (in each of the 10 Quality Areas) have been recast as 33 Principles (in 7 Quality Areas), without affecting the substance of the Principles;
- The three existing levels of quality standards, currently expressed as Unsatisfactory, Satisfactory and High Quality standards, have been revised to focus on the standards that represent quality. Therefore, the revised quality standards have been set at the level of Satisfactory, Good Quality and High Quality, with Good Quality being a new standard;
- New Indicators have been added about the health, safety and development of children to reflect best child care practices in these areas;
- Also included is a new requirement that long day care services source and date their policies. This is to ensure that services rely on credible and identifiable policies.

### The QIAS Self-study Report

- The *QIAS Self-study Report*, 3rd edition, 2005 has been revised to reflect the changes included in the *QIAS Quality Practices Guide*, 1<sup>st</sup> edition, 2005.

### The QIAS Handbook

- The *QIAS Handbook*, 3<sup>rd</sup> edition, 2005 has been revised to reflect the changes included in the *QIAS Quality Practices Guide*, 1<sup>st</sup> edition, 2005.

This Determination amends paragraph 23(a) of the Approval Determination so that it refers to the QIAS 2005 publications that contain the revised requirements.

The Office of Regulatory Review (ORR) has advised that a Regulation Impact Statement (RIS) is not required for this Determination (ORR ID # 7602).

## **Explanation of the sections**

### *Name of Determination*

Section 1 states the name of this Determination.

### *Commencement*

Section 2 states that this Determination commences on 1 January 2006.

### *Amendment of the Approval Determination*

Section 3 states that Schedule 1 amends the Approval Determination.

### *Transitional- self-study reports submitted before 1 February 2006*

Section 4 deals with transitional matters. The operation of this section is explained in the heading 'Explanation of section 4- transitional' at the end of the Explanatory Statement.

## **Explanation of the item in Schedule 1**

### *Item 1 – amendment to paragraph 23(a)*

Section 23 (Centre based long day care services: participation in QIAS) is relevant to all approved centre based long day care services.

Under paragraph 23(a) as it currently operates, it is a condition of continued approval of an approved centre based long day care service that the service participates in the QIAS in accordance with any quality improvement and accreditation requirements contained in the following documents, published in 2001 by the Council:

- (i) 'Quality Improvement and Accreditation System Source Book', 1<sup>st</sup> edition, 2001;
- (ii) 'Quality Improvement and Accreditation System Handbook', 2<sup>nd</sup> edition, 2001;
- (iii) 'Quality Improvement and Accreditation System Self-study Report', 2<sup>nd</sup> edition, 2001.

Item 1 amends paragraph 23(a) to substitute references to the 2001 publications with the references to the revised publications as follows: the 'Quality Improvement and Accreditation System Quality Practices Guide', 1<sup>st</sup> edition, 2005; the 'Quality Improvement and Accreditation System Handbook', 3<sup>rd</sup> edition, 2005; and the 'Quality Improvement and Accreditation System Self-study Report', 3<sup>rd</sup> edition, 2005.

As a result of the amendment to paragraph 23(a), from the commencement of this amendment (that is, from 1 January 2006), it will be a condition of continued approval of an approved centre based long day care service that the service complies with any quality improvement and accreditation requirements published by the Council in the QIAS 2005 publications referred to in paragraph 23(a).

#### **Explanation of section 4- transitional**

As a part of the QIAS requirements applicable to centre based long day care services, services are required to provide, by a determined due date, a self-study report that shows the service's self-assessment of the quality of its practice by consulting with all staff and with families of the children at the centre. The centre rates the quality of its practice for each of the Principles against the quality standards.

The report is subsequently validated in the QIAS validation process. The result of the validation may affect the accreditation status of the service.

As a result of the amendment made to paragraph 23(a), new QIAS requirements apply to a self-study report (for example, the new format of the report) that is submitted to the Council after 1 January 2006.

'Council' means the National Childcare Accreditation Council (subsection 4(4)).

For the purposes of this section, a self-study report is taken to have been submitted to the Council at the time the report is posted.

The operation of the amendment is modified by section 4 as follows:

The QIAS requirements in force immediately before 1 January 2006 continue to apply in respect of a self-study report prepared in accordance with these requirements if the report was due after 1 January 2006 but was submitted before 1 January 2006 (subparagraph 4(1)(b)(i)), or if it was due before 1 January 2006 but was submitted before 1 February 2006 (subparagraph 4(1)(b)(ii)).

The new QIAS requirements would apply in respect of all self-study reports submitted after January 2006 (as a result of the amendment to paragraph 23(a)) and in respect of a self-study report prepared in accordance with these requirements if the report was due after 1 January 2006 but was submitted before 1 January 2006 (subsection 4(2)).

The intended result of section 4 is that where the new QIAS requirements apply in respect of a particular self-study report, the new requirements apply to all the dealings relevant to that report (for example, to the report's validation process). Where the QIAS requirements in force immediately before 1 January 2006 apply to a report, these requirements apply to all dealings relevant to that report.