

## EXPLANATORY STATEMENT

### **Child Care Benefit (Eligibility of Child Care Services for Approval and Continued Approval) Amendment Determination 2006 (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, family day care service or outside school hours care service, it is a condition of continued approval of a service that the service complies with the relevant quality assurance system in accordance with the requirements published by the National Childcare Accreditation Council (the Council). The relevant publications are specified in the Approval Determination.

The Council administers the Quality Improvement and Accreditation System (QIAS) for centre based long day care services, the Family Day Care Quality Assurance system (FDC QA) for family day care services and the Outside School Hours Care Quality Assurance system (OSHCQA) for outside school hours care services. The systems are being continually developed and improved and up-to-date information about the requirements of the systems are communicated by the Council to approved child care services through the Council's publications.

This Determination amends some of the existing references to the publications of the Council to incorporate changes to those publications currently applicable to the abovementioned systems.

Amendments made by this Determination will make compliance with the Quality Improvement and Accreditation System Handbook, 4th edition, 2006, a condition of continued approval of centre based long day care services and will make compliance with the Family Day Care Quality Assurance Handbook, 3rd edition, 2006, a condition of continued approval of family day care services and will make compliance with the Outside School Hours Care Quality Assurance Handbook, 2nd edition, 2006, a condition of continued approval of outside school hours care services. In addition, compliance with the 2nd edition, 2006, of the Child Care Quality Assurance Compliance

Requirements will become a condition of continued approval of centre based long day care services, family day care services and outside school hours care services. An explanation of the changes to the quality assurance systems, introduced by the changes to these publications, is included under 'Background'.

The changes commence on the day after registration of this Determination.

## **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 determined by the Minister under subsection 205(1) (the Approval Determination). 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, family day care services and outside school hours care services is the requirement to participate in the relevant quality assurance system in accordance with any requirements published by the Council (sections 23, 23A, 23B, 24A and 24B of the Approval Determination) and included in the publications specified in the Approval Determination.

Some of the publications have been updated to introduce spot check visits performed by the Council as a new quality assurance monitoring mechanism. Specifically, the Handbooks for each of the quality assurance systems and the Child Care Quality Assurance Compliance Requirements that apply to all of the quality assurance systems.

As part of the enhanced quality assurance systems, the new editions of the Handbooks (the Quality Improvement and Accreditation System Handbook, the Family Day Care Quality Assurance Handbook and the Outside School Hours Care Quality Assurance Handbook) establish ad hoc, unannounced visits to approved child care services registered for participation in the quality assurance system. Spot check visits will be a separate process to validation visits that are undertaken to validate the quality practices indicated by the service in its Self-study Report (Step 3 in the accreditation cycle). The purpose of the spot check visit is to ensure that services are providing quality child care on a continuing basis throughout the period that they are accredited, and to support continuous improvement. Spot check visits will occur in the period after the accreditation decision has been made in respect of a service and before the services' due date for the submission of their Self-study Report (the submission of the Report is Step 2 in the accreditation cycle).

As a result of the changes to the Child Care Quality Assurance Requirements, it will become a requirement of the quality assurance systems that the service

undergoing a spot check visit participates and cooperates with the Council by allowing access to all areas of the service, and providing further information, evidence or documentation as requested during the visit. The service will be given, after the visit, a copy of their spot check visit report and will be required to comply with any further requests resulting from the visit (eg to take remedial action within a specified timeframe). Failure to comply with the requirements arising out of the spot check visits may result in the Council reporting the service to the Secretary, which may trigger the sanctioning process.

The Department of Families, Community Services and Indigenous Affairs conducted workshops with key child care stakeholders to discuss the purpose and process of spot check visits. All workshop participants supported the concept of spot check visits.

The Office of Regulatory Review has advised that a Regulation Impact Statement is not required for this Determination (RIS ID # 8574).

### **Explanation of the sections**

#### *Name of Determination*

Section 1 states the name of this Determination.

#### *Commencement*

Section 2 states that this Determination commences on the day after registration.

#### *Amendment of the Approval Determination*

Section 3 states that Schedule 1 amends the Approval Determination.

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

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

Section 23 (Centre based long day care services: participation in QIAS) specifies the publications relevant to approved centre based long day care services.

Item 1 amends paragraph 23(a) to substitute a reference to the publications that were in force on 1 July 2006 with a reference to publications in force at the commencement of the *Child Care Benefit (Eligibility of Child Care Services for Approval and Continued Approval) Amendment Determination 2006 (No. 2)*.

As a result, it will be a condition of continued approval of a centre based long day care service that the service complies with the requirements specified in the publications referred to in section 23, as amended. Amendments made by

items 2 and 3 ensure that these publications include the new editions of the Quality Improvement and Accreditation System Handbook and the Child Care Quality Assurance Compliance Requirements.

*Item 2 – amendment to subparagraph 23(a)(ii)*

Item 2 amends subparagraph 23(a)(ii) to substitute the reference to the Quality Improvement and Accreditation System Handbook, 3rd edition, 2005, with the reference to the Quality Improvement and Accreditation System Handbook, 4th edition, 2006.

*Item 3 – amendment to subparagraph 23(a)(iv)*

Item 3 amends subparagraph 23(a)(iv) to substitute the reference to the Child Care Quality Assurance Compliance Requirements, 1st edition 2006, with the reference to the Child Care Quality Assurance Compliance Requirements, 2nd edition, 2006.

*Item 4 – amendment to paragraph 23A (a)*

Section 23A (Family day care services: participation in FDC QA) specifies the publications relevant to approved family day care services.

Item 4 amends paragraph 23A(a) to substitute a reference to the publications that were in force on 1 July 2006 with a reference to publications in force at the commencement of the *Child Care Benefit (Eligibility of Child Care Services for Approval and Continued Approval) Amendment Determination 2006 (No. 2)*.

As a result, it will be a condition of the continued approval of a family day care service that the service complies with the requirements specified in the publications referred to in section 23A, as amended. Amendments made by items 5 and 6 ensure that these publications include the new editions of the Family Day Care Quality Assurance Handbook and the Child Care Quality Assurance Compliance Requirements.

*Item 5 – amendment to subparagraph 23A(a)(ii)*

Item 5 amends subparagraph 23(a)(ii) to substitute the reference to the Family Day Care Quality Assurance Handbook, 2nd edition, 2004, with the reference to the Family Day Care Quality Assurance Handbook, 3rd edition, 2006.

*Item 6 – amendment to subparagraph 23(a)(iv)*

Item 6 amends subparagraph 23(a)(iv) to substitute the reference to the Child Care Quality Assurance Compliance Requirements, 1st edition, 2006, with the reference to the Child Care Quality Assurance Compliance Requirements, 2nd edition, 2006.

*Item 7 – amendment to paragraph 24A(2)(a)*

Section 24A (Outside school hours care: participation in OSHCQA) specifies the publications relevant to approved outside school hours care services.

Item 7 amends paragraph 24A(2)(a) to substitute a reference to the publications that were in force on 1 July 2006 with a reference to publications in force at the commencement of the *Child Care Benefit (Eligibility of Child Care Services for Approval and Continued Approval) Amendment Determination 2006 (No. 2)*.

As a result, it will be a condition of the continued approval of an outside school hours care service that the service complies with the requirements specified in the publications referred to in section 24A, as amended. Amendments made by items 8 and 9 ensure that these publications include the new editions of the Outside School Hours Care Quality Assurance Handbook and the Child Care Quality Assurance Compliance Requirements.

*Item 8 – amendment to subparagraph 24A(2)(a)(ii)*

Item 8 amends subparagraph 24(2)(a)(ii) to substitute the reference to the Outside School Hours Care Quality Assurance Handbook, 1st edition, 2003, with the reference to the Outside School Hours Care Quality Assurance Handbook, 2nd edition, 2006.

*Item 9 – amendment to subparagraph 24(2)(a)(iv)*

Item 9 amends subparagraph 24(2)(a)(iv) to substitute the reference to the Child Care Quality Assurance Compliance Requirements, 1st edition, 2006 with the reference to the Child Care Quality Assurance Compliance Requirements, 2nd edition, 2006.