



8 January 2021

## About Early Learning Association Australia

Early Learning Association Australia (ELAA) is a peak body which works in partnership with early learning providers and parents to deliver our vision of excellence in learning for every child. Our diverse membership base of over 600 service providers managing services at more than 1,200 locations includes early years management organisations, independent kindergartens, local governments, long day care services, government and independent schools and out of school hours care programs.

## Introduction

ELAA welcomes the opportunity to provide feedback on the COAG Consultation Regulatory Impact Statement (RIS) (2020) *Streamlining Early Childhood Education & Child Care Approval Processes across Jurisdictions*

To become an approved provider and receive Child Care Subsidy (CCS) payments, services must apply for approval under Family Assistance Law as well as have approval under National Law via the National Quality Framework (NQF) and Australian Children's Education and Care Quality Authority (ACECQA)'s National Quality Agenda IT System (NQA ITS). The application process is cumbersome and requires duplication of effort on the part of applicants. Preschools, however, require approval under the National Law only.

The RIS presents three options:

1. Stay with current arrangements
2. Fully-joined up approval process
3. Single application submission only.

## Review of options

ELAA is supportive of the proposal to streamline administrative processes to become an approved provider under Family Assistance Law and National Law. The reduction of the administrative burden requiring the provision of duplicate sets of information and the opportunity to allow simultaneous assessment processes by both state/territory and Australian Government approval is also welcomed.

The streamlined system would make clearer what steps are to be followed to become an approved provider and ensure better integration of requirements across jurisdictions. Delays to the commencement of services and providing families with earlier access to the Child Care Subsidy are two of the immediate benefits which would result.

Of the three options presented for consideration, ELAA prefers Option 2, the Fully Joined-up Approval Processes. In particular, we agree that ACECQA's NQA ITS portal be used for both CCS and National Law



approval. The implementation of this option enables continuity for Assessment Officers from all State Regulatory Authorities and therefore would ensure consistency across ECEC service types, including those which are not applying for approval for CCS. The reduced opportunity for unscrupulous providers to enter the market because of increased information sharing and intelligence is also welcomed.

Option 2 is also preferred as it sets the scene for longer-term benefits such as future system enhancements which would require an approved provider or service to only report change notifications in a single system.

The proposed option describes a requirement for preschool/kindergarten applicants to register with Provider Digital Access (PRODA), which is a first stage requirement for applicants for the CCS scheme and not relevant to the approval process for preschools/kindergartens. As at 30 June 2020 of the 16,100 ECEC services approved under the National Quality Framework, 19% are preschools/kindergartens. If registration of key personnel and provider organisations are introduced, this will constitute an additional administrative burden for a significant minority of all services/applicants<sup>1</sup>. It is noted that the costs of this burden were not considered in the RIS. The preschool system including early years management services in Victoria are expressing grave concern about the growing levels of (unfunded) administration and there does not appear to be any costed financial support considered. In light of this it is recommended that the requirement for registration in PRODA only be put in place for new preschool/kindergarten applications.

Strengthening identity verification is, however, an objective of the sector, as seen with the widespread support for the establishment of a national teacher registration scheme. Integration between NQA ITS and PRODA should be a long-term objective to avoid having to notify of personnel changes in both systems.

The Single Application Submission option (Option 3) loses the benefit of concurrent assessment of the application by State Regulatory Authority and Australian Government assessment officers as well as having the potential for ineffective and inconsistent information sharing between agencies and is not preferred.

## Considerations in the implementation of option 2

Should option 2 be fully implemented and all preschools/kindergartens be required to register in PRODA, communication about the new requirements needs to be considered. Many of the preschool/kindergartens are managed by local, community-based not-for-profit services, some with new committees of management each year. Communication about the new requirements will need to be carefully managed to ensure services and volunteers are across their obligations. Sufficient time for transition to the new arrangements should also be available.

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<sup>1</sup> Australian Children's Education and Care Quality Authority (ACECQA) (2020), National Quality Framework Annual Performance Report, ACECQA, Sydney



## Conclusion

ELAA welcomes the streamlining of administrative processes to become an approved provider under Family Assistance Law and National Law, however is concerned about the potential additional administrative burden created for preschools/kindergartens. ELAA supports Option 2 with the caveat that only new preschools/kindergartens be required to register in PRODA and that full integration of PRODA and NQA ITS be addressed as a longer-term objective.