



## KINDERGARTEN FUNDING

# Why should I apply?

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## Purpose of this guide

The purpose of this guide is to give service providers the information to help in the decision-making process when considering applying for kindergarten funding from the Department of Education (the Department). There are live links in this document, which has been designed for you to use online.

This booklet has been designed with the Department of Education to be used in conjunction with the following ACA Victoria publications, which are all available on our website at:

<https://vic.childcarealliance.org.au/services/kinder-funding-support>

- ***Kindergarten funding: How do I apply?***
- ***Kindergarten funding: What happens next?***
- ***Kindergarten funding: Early Start Kindergarten.***
- ***Models: Delivering a 3-year-old program in long day care.***
- ***Models: Delivering a 4-year-old program in long day care.***

***For Detailed information about funding requirements, refer to the Department's [Kindergarten Funding Guide](#)***

***For questions and ongoing support about funding requirements, call ACAV on (03) 9532 2017***



## Funded kindergarten programs in long day care

Since 2009 the Victorian and Commonwealth Governments have committed to a National Partnership on Universal Access to Early Childhood Education. This has been confirmed until the end of 2025 and ensures that the Commonwealth Government contributes one third of funding and the Victorian Government contributes two thirds of the funding required for kindergartens. This funding makes up a total of 15 hours of funding for children in the year before school (4-year-old kindergarten). More recently, the Victorian Government has started funding 3-year-old kindergarten (5 - 15 hours for services from 2023 and 15 hours for all services by 2029) in line with the Early Years Reform commitment. For more information, refer to the [roll out schedule](#).

Kindergarten funding enhances the capacity of service providers in long day care services to provide high quality kindergarten programs to the children in their care. Children can build strong relationships with educators, enhancing their development, while families have the convenience of longer hours and a kindergarten program at the same location. The [Victorian Government Kinder Tick](#) campaign promotes the idea that kindergarten is a program, not a service and is beneficial to children in any setting, including long day care.

Through the introduction of funded 3-year-old kindergarten, providing two years of funded kindergarten gives you the opportunity to maximise the retention of families and children in the two years before school and enables children and families to experience continuity of care and education.

A kindergarten program provides a supportive environment in which qualified Early Childhood Teachers (ECTs) and educators work to engage 3 and 4-year-old children in a program promoting communication, learning, and thinking, positive relationships, identity, and wellbeing. The early childhood teachers and educators use the [Early Years Learning Framework](#) (EYLF) and [Victorian Early Years Learning and Development Framework](#) (VEYLDF) to plan an educational program based on the needs of the children and is run for at least 15 hours per week (for 40 weeks) for 4 year old children and 5-15 hours per week (for 40 weeks) for 3-year-old children.

In Victoria, local government also plays a key role in improving the delivery, coordination, and strategic planning of early childhood services at the local level. The Municipal Association of Victoria (MAV) is the legislated peak body for local government in Victoria. MAV and the Department have a formal partnership that commits both parties to a collaborative and cooperative approach to the planning and delivery of early childhood services.

## Eligibility

Service providers who wish to [apply](#) for kindergarten funding must:

- Be an approved service provider operating approved education and care services – as regulated by the National Quality Framework and operating a service under the Children’s Services Act 1996
- Have an ABN
- Have a service in Victoria
- Have a business plan and budget showing ongoing financial viability
- Have strong links to local government
- Provide a program that is planned and delivered by a qualified, registered early childhood teacher (ECT) and offers at least 15 hours per week for 40 weeks or 600 hours per year for the 4-year-old program and at least 5 hours a week for 40 weeks for the 3-year-old program
- Sign and comply with DE’s service agreement and operate in accordance with the stipulated standards and guidelines
- Declare to DE any previous legal or financial misconduct
- Have the correct insurance requirements, including Betrayal of Trust clause
- Deliver a program that adheres to the VEYLDF
- Operate in accordance with Child Safe Standards
- Operate a minimum ratio of 1 educator:11 children.

## Central Registration and Enrolment Schemes

Central Registration and Enrolment Scheme (CRES) is a best practice model for local councils and other organisations to support families and carers to secure a place for their child in a kindergarten program.

CRES provides a single point for families to apply for multiple services offering a kindergarten program, including long day care services, within a local government area, helping them secure a place that meets their needs.

The CRES model is underpinned by 6 principles that promote consistent, inclusive and equitable access for families, service providers and support services. This is supported by practical guides, tools and templates which can be easily adopted and tailored to each councils’ circumstance.



You can contact your local council to Determine if they are establishing or operate a Central Registration Enrolment Scheme (CRES).

Involvement with CRES brings many benefits to service providers, these include:

- Reduced staff administration as CRES centrally manages registration and queries.
- A new avenue for gaining enrolments.
- Access to community of practice to collectively develop kindergarten program provision.
- Increased access to the network supporting the children that attend your kindergarten program.
- Opportunities to provide feedback on CRES and shape future kindergarten program provision in your local council.
- Communication materials and assets to support you in engaging families with the CRES.



## Funding types

The main type of kindergarten funding is **per capita** funding which is allocated to each eligible child. There is **standard** per capita and **rural** per capita funding, depending on the location of the service. From 2023, there is **Free Kinder** funding available for services to opt-in to.

### Free Kinder

Free Kinder will be introduced from 2023 by the Department of Education as part of the Best Start, Best Life reforms. Free Kinder funding supports access to two years of high-quality kindergarten programs for all Victorian children. It will be available for both 3 and 4-year-old kindergarten programs.

#### **Service eligibility**

All early childhood education and care providers that deliver a funded kindergarten program in Victoria are eligible to receive Free Kinder funding from 2023, subject to meeting specified terms and conditions. To receive Free Kinder funding, service providers will be required to opt in to provide Free Kinder and accept the terms and conditions of funding.

Service providers may elect not to opt in to Free Kinder, in which case other funding streams will continue as normal.

*Where a long day care service offers a sessional program for which children do not attract CCS, it will follow the sessional kindergarten rate and guidelines that can be found [here](#).*

#### **Operational advice for long day care service providers:**

Service providers that opt into Free Kinder are required to do the following for their funded kindergarten programs:

- apply standard fees across the service for all kindergarten age enrolments (three- and four-year-old) to ensure that children enrolled in a funded kindergarten program are not charged higher fees in comparison to children that are not attracting kindergarten funding
- directly offset the full \$2,000 (or pro-rata) Free Kinder payment from the fees after the Child Care Subsidy has been applied (service providers are not required to separately calculate and record the cost of the kindergarten hours separately for integrated programs).
- apply the fee offset regularly and clearly indicate the offset amount (labelled Victorian Government Free Kinder offset) on parent invoice statements. For example, for families receiving \$2000 you could set up your software to deduct \$50 per week for 40 weeks over the kindergarten year (which does not include school holidays). Please see the table below for the pro-rata amounts, if applicable to your 3-year-old program.

- use any surplus funding (in the minority of cases where the family fees are less than the Free Kinder amount) on improvement efforts for the funded kindergarten program, such as improving quality and supporting engagement of families.
- ensure that families have signed the [letter to parents regarding access to one funded kindergarten place](#) to confirm which service their child is accessing their funded kindergarten place at. It is the responsibility of the service to keep a record of this letter for each family and the Department may request a copy of the signed letter in cases where two services are seeking funding for the same child.

### **Interactions with Commonwealth Childcare Subsidy**

The Victorian Government is finalising arrangements with the Commonwealth to confirm Free Kinder payments is an allowable third-party payment under Commonwealth funding rules to maximise the financial benefits for families. Service providers are required to apply the Free Kinder offset to each families' fees after CCS has been applied. Where a family is eligible for ACCS and do not pay gap fees, the full amount can be applied to improving the quality of the funded kindergarten program.

### **Interaction with Early Start Kindergarten grants**

It is important that you continue to enrol eligible children in Early Start Kindergarten (ESK) at your service. This ensures that you receive all funding entitlements and that eligible children have access to 15 funded hours in a kindergarten program. ESK enrolments also contribute to School Readiness Funding (SRF) calculations and allow the Department to continue to monitor efforts to engage the children in vulnerable circumstances and provide additional targeted support where required.

### **When a child moves services**

If a child moves from one service to another during the kindergarten year, the Free Kinder entitlement will move with the child, with the regular payments made to the new service for the duration of time that the child remains at that service. The service the child moves to must also have opted into Free Kinder for it to be applied.

### **Funding rates**

Integrated long day care programs (i.e., where enrolled children attract Commonwealth Childcare Subsidy (CCS) payments) will attract \$2,000 per child enrolled in a funded 15-hour kindergarten program.

Services that offer a Three-Year-Old Kindergarten program of less than 15 hours, will receive a pro-rata amount (see table below for examples).



Service type	5 hours (3 yr old)	7.5 hours (3 yr old)	10 hours (3 yr old)	15 hours
<b>Free Kinder amount</b>	\$666.67	\$1000	\$1,333.33	\$2,000

### More information

You can access more information in the [Free Kinder Service Guidelines for 2023](#) and [Frequently Asked Questions](#) or contact your local [ECIB](#).

[Free Kinder advice for families](#) is also available online.

### Per capita funding

The funding is calculated on a per child basis. Each eligible child enrolled in the kindergarten program will enable the service to claim the per capita amount.

The service uploads the enrolment data into the online platform (KIMS) which creates a baseline enrolment number and minimum per capita funding entitlement for the calendar year.

Kindergarten funding is paid based on the service's previous year's enrolment numbers (known as pre-confirmed enrolment numbers) until the annual confirmation of data is submitted for the service. The annual confirmation of data must be submitted by the end of April each year.

Kindergarten per capita funding is paid in advance, in monthly payments, in accordance with the service agreement that you will enter with the Department, once funding is approved.

### Rural per capita funding

To be eligible for **rural** per capita funding, service providers must also meet all the following criteria:

- The service is in a rural area as defined by the Department
- The service offers the only kindergarten program in a rural town
- The service is not operated by a non-government school

The per capita grant is updated annually. Please check the [kindergarten funding rates](#) for up to date information.

## Using the per capita funding in your service

You can use the funding to:

- Enhance the kindergarten program with resources, equipment, excursions, and incursions.
- Provide professional development for all educators
- Enhance conditions for the ECT, for example more paid planning time, above award wages.
- Support vulnerable families to participate fully in the program.

## Per capita funding vs Child Care Subsidy & Additional Child Care Subsidy

The kindergarten per capita funding goes directly to the service for each eligible child. If the kindergarten program is integrated into the long day care program, the funding is separate from CCS and ACCS, which families will access in the usual way. In most instances you are not required to pass on the funding onto families by way of fee relief.

### 4-year-old kindergarten

Service providers can apply to receive the per capita grant for each eligible child who is enrolled and attending a funded kindergarten program in the year before school, provided that the child is:

- At least 4 years old on 30 April of the year in which they are enrolled
- Enrolled for at least 15 hours per week or 600 hours per year
- Not enrolled at a funded kindergarten program at another service.

### 3-year-old kindergarten

Service providers can apply to receive the per capita grant for each eligible child who is enrolled and attending a funded kindergarten program, provided that the child is:

- At least 3 years old on 30 April of the year in which they are enrolled (note that children born between January and April may not be able to attend until they turn 3 years old due to staff to child ratios).
- Enrolled for 5 – 15 hours per week (depending on your program).
- Not enrolled at a funded kindergarten program at another service.

Children do not have to be Australian citizens to be eligible for the kindergarten per capita grant (refer to the [Kindergarten Funding Guide](#)).

## Application process

Once you have decided to apply for kindergarten funding, you need to contact your Early Childhood Improvement Branch (ECIB) in your [region](#) and discuss your intention.

Once you have been advised to proceed, you need to complete an [Expression of Interest](#) (EOI) for kindergarten funding and submit it to your ECIB branch. This document must be fully complete before sending it to the Department. The ECIB branch will check your application, then recommend your application for funding.

**Refer to the ACAV document, *Kindergarten Funding: How Do I Apply?***

After the expression of interest has been endorsed, you will be required to enter into a [Service Agreement](#) with the Department and register to access the online My Agency and KIM platforms.

You are encouraged to start the process as soon as possible after employing an ECT. This process can take several months and ECIB staff will work with you to support your EOI.

Please note that you cannot start the application process unless you have an Early Childhood Teacher on staff. [Early Childhood Jobs](#) is a new, free online platform to connect your service's vacancies with dedicated early childhood teachers, educators and support staff looking for a job. It's available to Victorian early childhood services that are delivering, or plan to deliver, a funded kindergarten program.

More information about recruitment of teachers can be found [here](#).

**Figure 2: High level process for becoming a funded service provider**



# Obligations once funding has been approved

The obligations to the Department once funding has been approved include:

## **Service Agreement**

You must enter into a Service Agreement with the Department and participate in reporting and monitoring requirements, through an online platform.

## **Kindergarten Information Management System (KIMS)**

This is an online platform used to determine funding eligibility and calculate funding entitlements. You will be required to upload details about the children, educators, and program, and ensure that this information is kept up to date. There are also reporting commitments during the year.

## **Student Family Occupation and Education data (SFOE)**

You will be required to collect information on the education and occupation of parents/guardians on enrolment and add it into the KIM system. This information is used to Determine the amount of School Readiness Funding your service will receive.

## **Transition Learning and Development Statements (TLDS)**

It is a kindergarten funding requirement that every child transitioning to school has a transition learning and development statement. This is completed by the early childhood teacher with input from the family and shared with the child's future school.

## **Victorian Institute of Teaching Registration (VIT)**

The teacher that is employed at your service must have current VIT registration (either full or provisional) and both you and the teacher have obligations around this information.

**For more information on these obligations, refer to the ACAV document: *Kindergarten Funding: What happens next?***

## Grants and subsidies

### Early Start Kindergarten grant

This grant is for eligible children who turn three by 30 April and enables them to access 15 hours of free or low-cost kindergarten per week. To be eligible, the child must be Aboriginal or Torres Strait Islander, a refugee or asylum seeker or have had contact with child protection.

### Early Start Kindergarten Extension grant

This grant is for eligible children who turn four by 30 April and enables them to access 15 hours of free or low-cost kindergarten per week. To be eligible, the child must be Aboriginal or Torres Strait Islander, a refugee or asylum seeker or have had contact with child protection.

### Kindergarten Fee Subsidy

Families who have a Health Care Card can access 15 hours of kindergarten for free **only** if the kindergarten fees are not attracting any Child Care Subsidy (CCS) or Additional Child Care Subsidy (ACCS) (i.e., running separately from your LDC fees).

### School Readiness Funding

School Readiness Funding (SRF) is available to all services delivering a funded kindergarten program. The amount of funding allocated is based on the level of need of the children enrolled at your service and this is determined by the levels of education and occupation of families through the SFOE forms completed on enrolment and entered into KIMS.

This funding can be used to access a range of [programs and supports](#) including programs to support children's development and cultural identity as well as coaching and mentoring for educators.

### Kindergarten Inclusion Support

Kindergarten Inclusion Support (KIS) packages offer supplementary funding to enable the participation of children with disabilities and ongoing high support needs and/or complex medical needs.

## Department resources

### Early Childhood Improvement Branch

Service providers can access support and guidance from the Early Childhood Improvement Branch (ECIB) based in their region which can be contacted via email [here](#). Each ECIB consists of Early Childhood Performance and Planning Advisers (ECPAPA), Kindergarten Improvement Advisers (KIA) and Early Childhood Funding Advisers (ECFA) to assist with all aspects of providing a funded kindergarten program.

### Pre-School Field Officer

Preschool Field Officer (PSFO) services support the access and participation of children with additional needs in the kindergarten program.

### Kinder Tick

The Kinder Tick is a statewide information campaign that aims to help families understand that kindergarten is a program, not a setting. As part of this campaign, the Victorian Government has introduced a symbol and associated branding material to help families find the kindergarten program that is right for them. All services that deliver an approved and funded kindergarten program will be provided with a kit and can display and use the Kinder Tick.

### ECT Recruitment support

There are recruitment supports available for providers who need to recruit a qualified early childhood teacher. These supports are available to Victorian early childhood services that are delivering, or plan to deliver, a funded kindergarten program.

Two types of financial incentives of between \$9,000 to \$50,000 – location incentives and individual incentives – are on offer to qualified early childhood teachers who take up positions in services delivering funded three-year-old kindergarten. These incentives will be in place until at least mid-2023.

[Early Childhood Jobs](#) is a new, free online platform to connect your service's vacancies with dedicated early childhood teachers, educators and support staff looking for a job.

Visit the Department of Education's [website](#) for tips on successful recruiting.



## Benefits for families

Accessing a kindergarten program in a long day care setting has many benefits for families:

- Flexibility in hours and the days on which their child can access the kindergarten program
- Ongoing continuity of care and communication for the children from the educators
- Services may be able to offer wrap around care (i.e., before and after care) on the days that the kindergarten program is offered.
- Each child may have access to an early childhood teacher for more than the 15 hours required, depending on attendance.
- There can be greater opportunity for parent contact and engagement.
- Children can continue attending the service during the school holidays.
- Educators will be able to spend more time with children who may need particular attention
- If families have younger children, they only have one drop off and pick up location.
- Vulnerable children could benefit from spending extended time in both the kindergarten and the long day care program.
- Families and children have the experience of continuity of care and education by attending the service for the two years before school.



# Connecting you with Victoria's Early Childhood Education & Care sector.

## ACA Victoria

📍 1/1535 Dandenong Road, Oakleigh VIC 3166

☎ (03) 9532 2017

✉ [vic@childcarealliance.org.au](mailto:vic@childcarealliance.org.au)

🌐 [vic.childcarealliance.org.au](http://vic.childcarealliance.org.au)

