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| Interim Childcare Policy 2018-2019 |
| February 2018 |  |

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| Responsible officer | Janelle Bryce | TRIM folder | *36/01/175* |
| Approved by | *Ordinary Council Meeting* | Approval date | *7 February 2018* |
|  |  | Review date | *May 2019* |

## PURPOSE

The purpose of this policy is to provide council and community childcare centres with certainty over the approach to quality of care in childcare centres, and funding and managing of infrastructure.

## GUIDING PRINCIPLES

* All children in CoPP should be able to access quality childcare when they need it.
* Childcare is a joint responsibility of the three levels of government together with families. The federal government has the primary responsibility to ensure that childcare is accessible, affordable and of a high quality.
* A mixed sector of Council, community and private childcare is more likely to provide diversity, choice and sustainability.
* Families should have the opportunity for involvement in decisions that affect them to ensure that there is a community capacity to respond to, protect and enhance the social, cultural and economic diversity of the municipality.
* All public expenditures on childcare should be transparent and clearly show:
* Costs of providing services
* Costs of providing quality buildings
* Charges to users
* Council subsidies and incentive payments.

## DEFINITIONS

Childcare Provision of Long Day Care in a centre building. Does not include Occasional Care, Kindergarten Centres specialising in kindergarten education, or Family Day Care.

## SCOPE

## This policy describes the arrangements for supporting quality childcare in council and community childcare centres. It also outlines the approach to funding and managing infrastructure for council and community childcare centres.

## COUNCIL POLICY

* 1. All fees will be set to recover the costs of services, and the costs of maintaining and replacing existing buildings. These fees will be offset through the provision of a Quality Incentive for all users.
	2. CoPP will continue to contribute to the funding of childcare by applying Council’s total net financial contribution to:

a) A Quality Incentive Program for council/community centres to ensure continuing access to high quality childcare, as assessed by approved criteria.

b) Capital investment in the expansion and retention of council/community childcare places in the City of Port Phillip.

5.3 Council’s financial allocation will be made via the budget process and be subject to regular scrutiny of the effectiveness of this policy in delivering Council’s desired outcomes.

5.4 Council will work with centres individually to assist them to continue to provide high quality, affordable childcare, within the parameters of this policy.

**FINANCIAL PRINCIPLES:**

5.5 Council endorses the following financial principles, which will provide a framework for the implementation of the Interim Child Care Policy:

 Fees will be set to recover the majority of the costs. Council will recover the full costs of building services such as cyclic maintenance, minor maintenance, cleaning, security, fire services.

* Council will use the building replacement cost as the basis for the Quality Building Levy to fund asset renewal and replacement and new places in existing centres.
* Council will contribute to the provision of new places in new centres, in partnership with other parties including the other levels of Government, if required. Council’s costs for new centres will be funded through rates, and not through the Quality Building Levy.
* Full and transparent accounting based on agreed standards is a condition of participation in council's incentive and subsidy schemes.

**BUDGET PARAMETERS:**

Council notes the significant community concern that has been raised about the impact and method of implementation of the new policy and sets the following budget parameters to guide the implementation program set out in Section 9 of the report:

**Quality Incentive program**

5.6 That the amount for Council’s Quality Incentive Program be set at 5% of expenditure on salaries and related costs for each centre, subject to a minimum payment of $25,000 per centre.

5.7 Council and Community Managed Childcare Centres will be eligible to receive funds from the Quality Incentive Program, subject to demonstrating a level of staff qualifications, staff ratios, salary levels, coordination time and food and material expenses over the minimum level required by accreditation standards.

5.8 Council's program manager may approve variations in emphasis on the individual quality criteria, to suit centre circumstances.

**Quality Building Levy**

5.9 Council determines that the Quality Building Levy will be set at 5% of the total building replacement costs.

5.10 The Quality Building Levy will be averaged across the total number of childcare places, which are in Council owned buildings, and will be directed to the replacement and renewal of existing places.

5.11 The Quality Building Levy will be offset by any money spent on capital works by committees of management in the past five years. Amounts raised through fundraising or fees, will be fully credited, at a rate determined in consultation with committees of management