

## **GOODSTART FEEDBACK ON INCLUSION SUPPORT PROGRAM (ISP) GUIDELINES**

### **About Goodstart Early Learning**

Goodstart is Australia's largest not-for-profit social enterprise and Australia's largest ECEC provider, with 665 centres located in all states and territories, caring for more than 75,000 children from 63,000 families with a team of 16,700 employees. Our purpose is to ensure all Australia's children have the learning, development and wellbeing outcomes they need for school and life.

As an inclusive organisation, all children, families and educators are welcome at Goodstart. Each and every day, our centres and teams of educators work in partnership with thousands of families across Australia to deliver high quality, inclusive and community connected early learning programs to benefit all children and their learning, development and wellbeing. We actively support all children to participate in our services, irrespective of their abilities, developmental capabilities or life circumstances.

Consistent with the underlying principles of the Inclusion Support Programme, it is our view that all children should be supported to participate in quality early learning and care, regardless of where they live in Australia, their family circumstances, their inclusion support needs, or their early learning setting.

### **Recommendations**

- 1) Apply a one-off 'catch up' increase to the wage subsidy to align with current award wages (\$25.00/hour).
- 2) Index the wage subsidy annually, in line with increases in the award, so it does not continue to lose value in real terms.
- 3) Remove the 25 hour individual cap and 40 hour shared funding cap for an additional educator and match funding to a child's enrolled hours, to support a child's participation in early learning and their parent's workforce participation.
- 4) Implement an Access and Continuity Guarantee to provide funding continuity when a child changes rooms or adjusts their enrolled hours within the same service.
- 5) Include Service Standards for Inclusion Agencies that specify the timeframes for ISP activities, including responding to requests for service, SIP completion, reviewing and endorsing applications, assessing change of circumstance (see also Continuity), IP visit cycles and so on, so that children are not negatively impacted by gaps in their funding and support.
- 6) Amend the 'self-sustaining' guiding principle as follows:  
"Continuous capability development and resilience - services receiving support through the program will endeavour to work towards high quality and responsive practices becoming self-reliant and commit to continuously improving their inclusive practice..."
- 7) Documentary evidence requirements for expanded eligibility criteria should include a letter or Statutory Declaration from an early childhood teacher or educator detailing their observations of the child's behaviours and inclusion support needs, e.g in the case of children with no diagnosis.
- 8) Amend the ISP Guidelines to enable centres to access ISP to address inclusion barriers that meet the needs of the room/centre, without requiring individualised parent consent based on the needs of one child.

## 1) Changes we support

Goodstart acknowledges the positive changes already incorporated into the draft of the Guidelines. We believe these changes will be highly beneficial for children and families in meeting the objectives of the Inclusion Support Programme. Specifically, we welcome the following changes:

### a) Expanded eligibility to include undiagnosed conditions, such as trauma related behaviours

Goodstart welcomes the expansion of the definition of children with additional needs.

The expansion of the definition to include children with health conditions, mental health concerns, learning delays, trauma related behaviours and those at risk of not achieving on the AEDC are important inclusions if the ISP is to truly assist in achieving the inclusion of all children for whom additional needs may arise.

### b) Ensuring ISP funding and support for children participating in a preschool program in a centre-based care setting

Goodstart welcomes the extension of ISP funding and support for children participating in a preschool program in a centre-based day care (CBDC) setting.

Quality early learning in the year before full-time school is vitally important to support children to be ready for school and life, particularly for vulnerable children. Confirming that children attending preschool are eligible for ISP funding supports provides continuity of funding and reduces confusion about a child's support options.

### c) Clarifying that typically developing peers is not limited to same-age peers

Goodstart welcomes the clarification that typically developing peers is not limited to same-age peers.

In line with the child-centric principle, it is important for a child's developmental stage to be considered when determining their early learning and inclusion support needs, as well as their chronological age.

### d) Including a guiding principle around child-centric program delivery

Goodstart welcomes the inclusion of a guiding principle that ongoing program delivery is child-centric.

The needs of the child should be paramount and funding and support should be designed flexibly so as to follow the child, as their needs change. We also welcome the reference to the UN Declaration of Human Rights acknowledging a parent's right to choose the education given to their child.

## 2) Further changes required

### a) Wages for additional support educators must be indexed, so that the subsidy does not continue to lose value in real terms

Since changes to the ISP were implemented in 2016, the hourly rate for the wages subsidy has not increased at all – it has not even been indexed by CPI, let alone award wage increases. In the same period, award wages for early childhood educators have increased 3.25% per annum, on average (see **Table 1**). For most providers, this compounding impact of the growth in wages is 10.1%. At Goodstart, we have seen the average hourly wage for funded ISP staff increase by 12% in the same period, which reflects our above average wages.

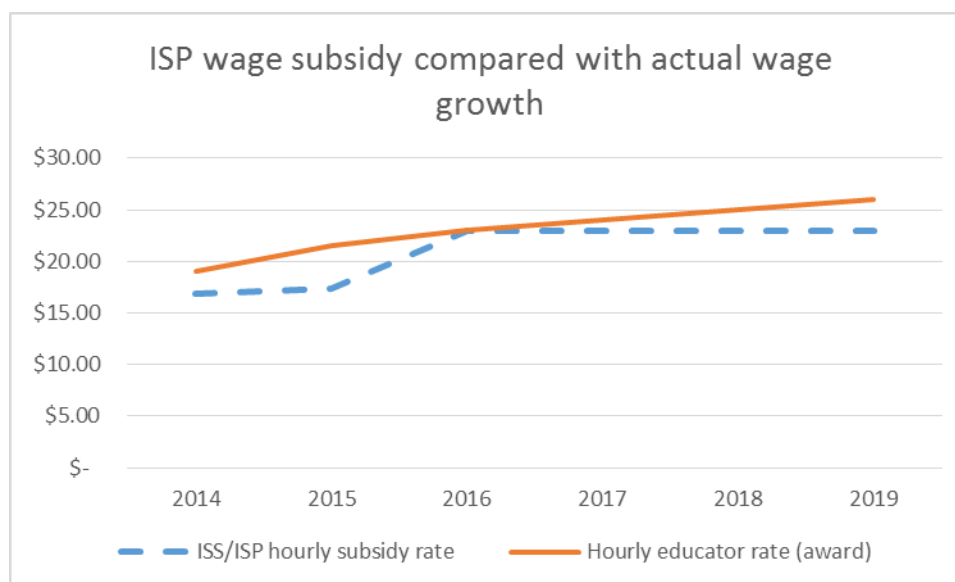
**Table 1: Modern award increases – early childhood educators**

Date	Modern award increases
July 2017	3.3%
July 2018	3.5%
July 2019	3.0%

Before the program was revised in 2016, the per hour subsidy rate was indexed annually by CPI. However, indexing by CPI meant that the subsidy rate was not increasing at the same rate as award wages and therefore lost value over time. To acknowledge this declining value of the subsidy rate, a one-off increase was made to the subsidy in 2016 but, without indexation, the value of the subsidy is once again diminishing in real terms (refer **Graph 1**).

To ensure the ISP continues to achieve its policy objective of supporting children with inclusion support needs to participate in early learning, the wages subsidy must be brought into line with existing wages and be indexed annually, in line with increases in the award wage. Otherwise, there is a chance that services will reduce support to children with additional needs due to the perceived and real additional cost.

**GRAPH 1: ISP wage subsidy compared with actual growth in early childhood educator wages**



Where there is a shortfall in the per hour wages subsidy, this can result in:

- Costs for additional care being borne by centres and ECEC providers;
- Higher costs of delivery being passed on to all families, which impacts affordability and reduces the impact of the new Child Care Subsidy (CCS); or
- Diminishing benefits associated with the ISP funding.

A highly capable and sustainable workforce is critical for achieving the ISP program objectives – but this comes at a cost. It is therefore imperative that funding reflect actual sector wages and be indexed for future years.

**RECOMMENDATIONS:**

- 1) Apply a one-off 'catch up' increase to the wage subsidy to align with current award wages (\$25.00/hour).
- 2) Index the wage subsidy annually, in line with increases in the award, so that it does not continue to lose value in real terms.

**b) Funding must be matched to enrolled hours, i.e. remove the 25 and 40 hour funding caps**

The guiding principles for the program state the program delivery should support a child's meaningful participation in early learning and support parents' and carers' workforce participation. However, the ISP funding cap (25 hours for an individual child) does not align with CCS eligibility of up to 50 hours per week. Even in a shared care arrangement, which supports more than one child, support funding is only provided for up to 40 hours per week.

A child's inclusion support needs do not end at their capped hours and there is a risk children will be left without the adequate level of support if ISP does not cover the hours they attend early learning. Where ISP funding does not cover a child's enrolled hours, this can result in:

- Children not being adequately supported for additional hours, potentially impacting the child, their peers and their educators;
- Children being withdrawn from care, which affects their early learning and/or their parent's workforce participation; and/or
- Reduced access and participation of vulnerable children and children with a disability, thereby diminishing the impact of the ISP.

As the largest provider of early learning and care in Australia, Goodstart receives funding and support for approximately 1,100 children per annum. When we look at the early learning participation of these children we see that:

- On average, children receiving ISP support are enrolled for 31 hours per week.
- More than a quarter (26%) of children receiving ISP funding are enrolled for *more than* 40 hours per week.
- Sixty per cent of children receiving ISP funding are enrolled for 26 or more hours per week.

This data tells us that three in five children are attending early learning and care for more hours than they receive ISP support, which may be affecting the quality of their participation. Whilst some of these children may be accessing shared care arrangements, which provides 40 hours of support for one or more children, over a quarter are enrolled for more hours than the current shared care cap provides. For families to be eligible for >40 hours Child Care Subsidy (CCS) per week, they must be participating in work, study or volunteering for more than 48 hours per fortnight. So, we know that these children are enrolled for 40+ hours per week to support their parent's workforce participation but the limitations on the program funding mean they are not being fully supported for the hours they attend.

Notably, 39% of all children receiving funding across our network were enrolled for less than 25 hours per week. For many of these children, it may not be safe or worthwhile to participate in early learning without additional inclusion support. So, their families may be making difficult trade-offs about their workforce participation, such as turning down increased hours or promotions, because their child would not be supported for the increased hours in early learning and care. The research and evidence tells us that parents – particularly mothers – caring for children with a disability show lower workforce participation than other parents<sup>1</sup>. With this in mind and taking into account the significant underspend in the ISP and in

<sup>1</sup> <https://aifs.gov.au/sites/default/files/fm95c.pdf>

the NDIS, it is imperative that children and families receive the funding and support they need for their workforce participation.

We also analysed our national dataset to identify if there are children who are the only child receiving ISP funding in their service. We found that:

- Of the 389 Goodstart services receiving ISP funding in the 2018-19 financial year, 118 services had only one child receiving funding.
- Two-thirds of these children were enrolled for 26 or more hours per week.
- Nearly one-third (31%) were enrolled for more than 40 hours per week.
- This means that 10% of children and families receiving funding across our network are not able to benefit from shared care arrangements.

For the policy objectives of inclusion support and workforce participation to be achieved, ISP funding must be matched to a child's enrolment.

**RECOMMENDATION:**

- 3) Remove the 25 hour individual cap and 40 hour shared funding cap for an additional educator and match funding to a child's enrolled hours, to support a child's participation in early learning and their parent's workforce participation.

**c) Provide seamless funding continuity for children who change rooms or adjust their hours within the same service**

Children and centres are currently experiencing lengthy gaps in funding and support during periods of transition (known as a change to a child's environment). These delays can impact on individual children, their families, their peers and their educators for months at a time. Reasons for delays vary and can be due to a backlog of applications and varied response times from Inclusion Professionals.

To prevent these ongoing delays, we recommend the implementation of an **Access and Continuity Guarantee**, which includes:

- Provider-initiated funding periods (up to 12 weeks) when a funding and support application has been initiated or while funding is being reassessed.
- Funding and support provided for up to 50 hours per week, in line with Child Care Subsidy entitlements, to support parents' workforce participation.
- Subsidised hours indexed at Wage Prices Index to ensure children's access to early learning and care is appropriately funded, without cost or inadequate support levels as a barrier.

**RECOMMENDATION:**

- 4) Implement an Access and Continuity Guarantee to provide funding continuity when a child changes rooms or adjusts their enrolled hours within the same service.

**d) Include service standards for Inclusion Agencies that define timeframes for ISP activities**

The revised ISP Guidelines include performance measures for Inclusion Development Fund Managers (IDFMs) and we understand these form part of IDFM's contractual requirements. However, in the interests of transparency and accountability, it would be useful to include service standards and response timeframes for both IDFMs and Inclusion Agencies (IAs) to complement their contracts. Given the pivotal role IAs play in endorsing funding and support for children with inclusion support needs, it is reasonable that they, too, have documented performance measures that are publically available for transparency.

The development and inclusion of service standards would complement the implementation of an Access and Continuity Guarantee (refer **Recommendation 4**) to ensure children, families and providers have timely access to much-needed funding and support. Proposed inclusions are outlined below (refer **Table 2**).

**Table 2: Proposed service standards to be included in ISP Guidelines for IDFM and IAs**

Service standards for IDFM		Service standards for IAs	
Action	Timeframe	Action	Timeframe
Response to IDF Immediate/ Time Limited Funding applications	2 business days	Response to request for service from centre	2 business days
Response to all urgent applications	2 business days	IA support for SIP completion (may involve centre visit)	5 business days from initial response to service
Response to IDF Additional Educator and Innovative Solutions Support	5 business days	Application reviewed and centre response provided	Within 2 business days of receipt of application from service
Escalated to review mechanisms	Applications that have been sent back from IDFM more than twice	Application endorsed on IS Portal	Within 24hrs of receipt of application on IS Portal
		Change of circumstance process	Aligned with above timeframes, starting from request for service from centre

**RECOMMENDATION:**

- 5) Include documented, publically available service standards for Inclusion Agencies in the ISP Guidelines.

**e) Reframe ‘self-sustaining’ guiding principle to focus on continuous capability development**

We note that ‘self-sustaining’ has been reinserted into the guiding principles since the last iteration of the revised ISP Guidelines, with a particular focus on services becoming ‘self-reliant’. There is a fundamental misalignment between the recognition that inclusion support needs are both prolific and diverse and the intimation that services may eventually cease to require funding and support for children with inclusion support needs to participation in early learning.

Service delivery issues that prevent a service from becoming ‘self-reliant’ include:

- Approximately 20% annual turnover of early childhood educators (sector-wide); and
- New cohorts of children each year presenting with diverse support needs.

We agree with the intent of this guiding principle, which implies continuous capability development, specifically, improvements in high quality and responsive practice. For this reason, reframing the guiding principle to focus on efficacy in terms of continued capability development is more appropriate.

**RECOMMENDATION:**

- 6) Amend the ‘self-sustaining’ guiding principle as follows:

“Continuous capability development and resilience - services receiving support through the program will endeavour to work towards high quality and responsive practices ~~becoming self-reliant~~ and commit to continuously improving their inclusive practice...”

### 3) Changes requiring clarification

#### a) Documentary evidence requirements for expanded eligibility criteria must not create a barrier to access for children with inclusion support needs

While the revised ISP Guidelines broaden the eligibility criteria for children with inclusion support needs, the documentary evidence requirements in Section 5.5 still focus on a child's disability or diagnosis and do not specify what will be required for new eligibility criteria, e.g. trauma-related behaviours. It is important that the documentary evidence requirements strike the right balance so as to ensure program integrity without creating an administrative barrier for children and families.

There is a risk that evidence requirements may create additional administrative red tape for children with inclusion support needs, particularly given children do not get 'diagnosed' with trauma, so documentation from a relevant professional may not be appropriate or available.

Consideration should be given to allowing early childhood teachers and educators to submit a letter or Statutory Declaration outlining their observations of the child's behaviours and inclusion support needs, akin to the current evidence provisions for applying for a Determination under the Additional Child Care Subsidy – Child Wellbeing.

#### **RECOMMENDATION:**

- 7) Documentary evidence requirements for expanded eligibility criteria should include a letter or Statutory Declaration from an early childhood teacher or educator detailing their observations of the child's behaviours and inclusion support needs, e.g. in the case of children with no diagnosis.

#### b) Providing a child support without a parent's consent

Currently, a parent must consent to documentary evidence being shared with a different service, such as the Inclusion Agency, IDF Manager or with the department. Where the evidence relates to a disability or diagnosis, parents are more likely to have reached a level of understanding and acceptance about their child's needs and therefore more likely to provide consent for this information to be shared.

When a child's inclusion support needs relate to behaviours that are not diagnosed, e.g. trauma-related behaviours, a parent may still be on the pathway to understanding their child's needs. When this happens, it is normal for a parent to:

- feel shocked, overwhelmed and angry at their child's behaviours;
- experience grief when their child experiences trauma;
- be in denial about their child's trauma-related behaviours or the underlying causes;
- have experienced the same trauma;
- feel guilty or responsible for what their child has been through; and/or
- be worried or fearful about potential repercussions of acknowledging their child's experiences or behaviours, such as involvement with child protection agencies. (This is especially true for many Indigenous Australians who have experienced intergenerational trauma.)<sup>2</sup>

As a result, parents may not yet be willing to provide consent for information about their child's behaviours to be shared with other services or government agencies. However, while a parent may not fully understand or accept their child's needs, the needs still exist and it is important that they receive the support they need to participate fully in early learning and care. The absence of this vital support may also impact the child's peers and educators.

<sup>2</sup> Tonje Holt, Judith Cohen, Anthony Mannarino & Tine K. Jensen (2014) Parental Emotional Response to Children's Traumas, *Journal of Aggression, Maltreatment & Trauma*, 23:10, 1057-1071, DOI: 10.1080/10926771.2014.953717

To ensure parental consent for sharing information does not create a barrier to support, the ISP Guidelines should provide another mechanism for facilitating support, e.g. providing funding for an additional educator to support the needs of the room, rather than attaching funding to one child's needs.

**RECOMMENDATION:**

- 8) Amend the ISP Guidelines to enable centres to access ISP to address inclusion barriers that meet the needs of the room/centre, without requiring individualised parent consent based on the needs of one child.

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**IF YOU WOULD LIKE TO DISCUSS ANY PART OF THIS SUBMISSION IN FURTHER DETAIL, PLEASE CONTACT:**

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