

Australian Capital Territory: Implementation Plan and Performance Report (Plan) - 2023

Preschool Reform agreement – 2022 to 2025

This Plan covers:

- the implementation activities for the period 1 January 2023 to 31 December 2023 (Tables 2 – 4);
- the performance report for the period 1 January 2023 to 31 December 2023. (Annex 1 & 2).

PART 1: PRELIMINARIES

1. This Plan is a schedule to the Preschool Reform Agreement 2022 – 2025 (the Agreement) and should be read in conjunction with the Agreement. This Plan covers the period from 1 January 2023 to 31 December 2023.
2. The Agreement reaffirms a national commitment to provide universal access to, and improved participation by, children in quality preschool programs in the year before full-time school (YBFS), with a focus on Aboriginal and Torres Strait Islander children and disadvantaged children. These programs should be delivered in a manner that meets the needs of children, parents and communities at a cost which does not present a barrier to participation.
3. The objective of the Agreement is to facilitate children’s early learning and development and transition to school by maintaining universal access to quality preschool programs for all children, improving participation in preschool programs and maximising the benefit of the preschool year by improving outcomes for children.
4. The Agreement supports the delivery of 15 hours a week, or 600 hours a year of quality preschool programs, by a degree qualified early childhood teacher for all children, regardless of the setting in which programs are delivered, in the year before school.
5. The Agreement has a focus on improving preschool participation and outcomes including for Aboriginal and Torres Strait Islander children and disadvantaged children.
6. This Plan is the second of four annual implementation plans that build on each other to deliver the reforms outlined in the Agreement.

PART 2: TERMS AND DEFINITIONS OF THIS PLAN

7. This Plan will commence as soon as it is agreed between the Commonwealth of Australia, represented by the Minister for Early Childhood Education, and the Australian Capital Territory, represented by their Minister for Early Childhood Development.
8. As a schedule to the Agreement, the purpose of this Plan is to provide the public with an indication of how the Australian Capital Territory demonstrates its capacity to achieve and deliver the outcomes of the Agreement.
9. This Plan will cease on completion of the final performance reporting and the processing of final payments against the performance benchmarks or milestones set out within it for 2023.
10. The Commonwealth Government Department of Education and central agencies will develop a new template for Implementation Plans from 2024 in consultation with states and territories (States). The Commonwealth will require new and additional information in accordance with the Agreement and the Federal Funding Agreements Principles from 2024.
11. This Plan may be varied by written agreement between the Commonwealth and the responsible State Minister.
12. The Parties to this Plan do not intend any of the provisions to be legally enforceable. However, that does not lessen the Parties' commitment to the Plan and its full implementation.

PART 3: FUNDING CONTRIBUTION

Commonwealth Funding Contributions

13. The Commonwealth's estimated total financial contribution to the Australian Capital Territory is set out in Tables 1a (program year) and 1b (financial year) of the Agreement.
14. However, the Commonwealth's financial contribution in individual program years is adjusted in accordance with the notes to Tables 1a and 1b of the Agreement. Consistent with the agreed adjustment process, the final amounts for 2023 are set out in **Table 1**.
15. **Table 1** does not include funding for children who repeat the YBFS. This funding will be calculated and paid in arrears per Appendix A.1 to the Agreement.
16. The Commonwealth contribution can only be moved between years with the agreement of the Commonwealth Minister. This would address extraordinary circumstances only and details would be agreed in the context, noting Commonwealth Funding Follows Child requires funding is expended in the year for which it is provided.

Table 1: 2023 Commonwealth financial contribution to the Australian Capital Territory

Category	Amount ¹
Original estimated YBFS Financial Contribution	\$7,992,800
Adjustment to YBFS Estimated Financial Contribution	(\$301,753)
Additional funding to maintain 2021 levels	\$1,963,428
Total Commonwealth financial contribution	\$9,654,475

¹Figures may not add due to rounding.

17. **Table 2** should be used to show how the Australian Capital Territory will use Commonwealth funding to meet the objectives of the Agreement. This may include strategies to facilitate preschool attendance by children in the year before full-time school.

Table 2: Program/activities objectives and outcomes

	Program/activity	Outputs	Objectives	Outcomes	Estimated Cth funds allocated
Program year funding (Commonwealth Funding Follows Child)					
1.	Implement the Commonwealth Funding Follows the Child financial contribution at the sector level, to the government school sector (4,225 children)	To facilitate children's early learning and development and transition to school, by maintaining universal access to free quality early childhood education for all children To promote the importance of preschool and encourage enrolment for all children in the year before formal schooling	All children have access to 600 hours of <i>free</i> , high-quality preschool in the year before school	All children, including Aboriginal and Torres Strait Islander children and vulnerable and disadvantaged children, have access to, and participate in, <i>free</i> quality early childhood education programs	\$5,821,331.75
2.	Implement the Commonwealth Funding Follows the Child financial contribution at the sector level, to the non-government school sector (1,377 children)	To support delivery of quality preschool programs and encourage attendance and participation in affordable, quality early childhood education programs	All children have access to a high-quality preschool program in the year before school	All children, including Aboriginal and Torres Strait Islander children and vulnerable and disadvantaged children, have access to, and	\$1,897,271.91

				participate in, quality early childhood education programs	
3.	Implement the Commonwealth Funding Follows the Child financial contribution at the sector level, for the non-government long day care sector	To support delivery of quality preschool programs and encourage attendance and participation in affordable, quality early childhood education programs	All children have access to a high-quality preschool program in the year before school	All children, including Aboriginal and Torres Strait Islander children and vulnerable and disadvantaged children, have access to, and participate in, quality early childhood education programs	\$274,188.17
Additional funding to maintain 2021 funding levels (delete if not required)					
5.	Provide a financial contribution towards 600 hours of free government preschool programs	To facilitate children's early learning and development and transition to school, by maintaining universal access to, and improving attendance, and participation in affordable, quality early childhood education programs for all children	All children have access to a high quality and <i>free</i> preschool program in the year before school	All children, including Aboriginal and Torres Strait Islander children and vulnerable and disadvantaged children, have access to, and participate in, <i>free</i> quality early childhood education programs	\$ 1,661,683.17 (see clause 20)
Total all programs and activities					\$9,654,475.00

18. 2023 funding allocations for Funding Follows the Child contributions to the government and non-government school sectors are based on actual 2022 Enrolment Census data.
19. As the ACT does not hold child level enrolment data for the long day care sector, the 2023 funding allocation for the Funding Follows the Child contribution to the long day care sector is an estimate based on the balance of the year before full time school (YBFS) population estimate for 2022 (5,801) minus the 2022 Enrolment Census data for school-based preschools (5,602). This means that school-based preschool is considered the first setting for the purpose of Funding Follows the Child in the ACT.
20. In 2023, the YBFS population estimate for the ACT is 5,582 children. This is lower than the estimate for 2022 (5,801). The ACT will direct a portion of funding provided to maintain 2021 funding levels to activities under Funding Follows Child to ensure there is sufficient funding for each setting.

State context and funding contributions

21. Context influencing the Australian Capital Territory delivery of preschool and the States' investment in preschool for 2023 is covered in this section.
- Quality early childhood education in the ACT is delivered in a range of settings including government preschools, non-government preschools and long day care centres.
 - The ACT Government is the primary funder of 600 hours per year, of quality early childhood education in government preschools in the YBFS. This provision is delivered by a qualified early childhood teacher under the National Quality Framework.
 - Aboriginal and Torres Strait Islander children in the ACT can access an additional 15 hours per week, 600 hours per year, of a free culturally safe early learning program through the ACT Government funded Koori Preschool Program.

Implementation Project Funding Contributions

22. This section will include a State's summary of details of implementation project funding provided by the Commonwealth including funding amounts, purpose and the State's progress in implementing the project to date. States will be required to provide details of how Implementation Project Funding will be used to deliver reforms, including key performance indicators (KPIs) and timing. Details will be captured at **Table 3**.

Table 3: Overview of Implementation Project Funding for Australian Capital Territory - Statement of Allocations

Implementation Project (details)	Commonwealth funding	Actions (incl. deliverables)	KPI	Timing (incl. delivery schedule)
Scope and design of system and process capabilities needed to support cross-sectoral data collection	\$0.5 million	Scoping data collection system and capabilities including business rules, data definitions and data sharing requirements	Data collection system and capabilities scoped and designed	Q4 2022- Q2 2023

23. Consistent with the terms of the Agreement, Commonwealth funding for Implementation Projects was provided as part of the first milestone payment of the Agreement, when the Commonwealth and State agreed the 2022 Implementation Plan.
24. Delivery of this component was rolled over from 2022 due to national delays in finalising the data requirements under the Preschool Reform Agreement which was needed in order to inform the system requirements. This work will be finalised in 2023.

Risk Management

25. The Australian Capital Territory will actively identify, monitor and manage the risks associated with delivering outcomes under the Agreement, such as through maintaining their own risk management plan.

PART 4: REFORMS

26. As part of the Agreement, the Australian Capital Territory and the Commonwealth agree to work collaboratively to implement reforms outlined in the Additional terms in the Agreement.
27. The actions that the Australian Capital Territory will undertake to meet these commitments are detailed in **Table 4**.

Table 4: Planned Actions for the period 1 January 2023 to 31 December 2023 for the Australian Capital Territory

Reform Element	Actions	Timing
Reform Element One: Implement Commonwealth Funding Follows Child		
Details of how the Commonwealth Funding Follows Child at the setting level will be implemented in the State.	<p>The ACT will establish and implement the funding mechanisms to distribute funding to non-government school based preschool sectors.</p> <p>The ACT will invest in quality improvement strategies for the long day care sector, consistent with the outcomes of sector consultation in 2022.</p> <p>The ACT will acquit the activities outlined in Table 2. Public facing information highlighting the educational benefits of preschool to encourage enrolment and attendance, and information about the PRA funding and will be provided on the Education Directorate website.</p>	Throughout 2023
Reform Element Two: Implement a new national preschool attendance measure		
Work to ready the State to measure preschool attendance in 2025 and provide baseline data to the Commonwealth in 2024.	The ACT will progress scoping and design of the data system requirements to enable measurement of attendance in 2024	Throughout 2023
Strategies to facilitate participation in preschool by children in the YBFS. For strategies relating to Aboriginal and Torres Strait Islander children, consistent with the Closing the Gap agreement, engage those communities and/or representative bodies in the design process.	<p>The ACT will deliver the following strategies:</p> <ul style="list-style-type: none"> • Early Entry to government preschool for Aboriginal and Torres Strait Islander children • Koori Preschool for Aboriginal and Torres Strait Islander children at select government schools • Engaging Aboriginal and Torres Strait Islander families through 2 x Early Years Engagement Officers • Engaging vulnerable and disadvantaged families through 2 x Early Childhood Community Coordinators • Providing supported transitions and inclusive practices through 4 x Preschool Pathways Partners 	Throughout 2023
Reform Element Three: Implement a new national preschool outcomes measure from 2025		
Plans for how the State will work with the Commonwealth to develop the preschool outcomes measure.	The ACT undertakes to work collaboratively with the Commonwealth and ACT service providers on the development of the Outcomes measure	Throughout 2023
Reform Delivery/Implementation		

Reform Element	Actions	Timing
<p>State-specific data and implementation issues and strategies for how these will be overcome in the context of assessing performance under the Agreement.</p>	<p>The ACT undertakes to work collaboratively with the Commonwealth to identify appropriate targets that take into account the impact of small numbers when measuring Aboriginal and Torres Strait Islander children's enrolment and attendance in preschool.</p> <p>The ACT undertakes to work collaboratively with the Commonwealth to identify a suitable measure of disadvantage in the ACT context, including through participation in the trial of a new methodology for measuring disadvantage funded by the Commonwealth.</p> <p>The use of SEIFA and similar area based measures is not appropriate for the ACT as the measure of disadvantage, due to the distributed nature of social housing and general social mobility in the Territory. In the ACT, SEIFA identifies approximately 1% of children as being disadvantaged, rather than an estimated 12% to 20% under other measures.</p>	<p>Throughout 2023</p> <p>Throughout 2023</p>

PART 5: PERFORMANCE AND REPORTING ARRANGEMENTS

28. Part 5 sets out the performance and reporting arrangements for the Australian Capital Territory for 2023.
29. The Commonwealth and State based collections or data sources and methodologies, agreed by both the Parties to this Plan, to measure progress against the performance milestones and benchmarks and targets in the Agreement, are set out in Part 5 of this Plan and Appendix B of the Agreement.
30. These data and performance specifications will be used to report Australian Capital Territory performance, except for the supplementary data agreed by the Parties to this Plan.
31. The Australian Capital Territory may provide supplementary data related to students with special needs and Indigenous students enrolled in specialist public preschool programs where program design impacts on Australian Bureau of Statistics counting rules.
32. Supplementary data reports must contain the following details for each Performance Indicator (PI) where the method is not consistent with the Early Childhood Education and Care Minimal Data Set (NMDS):
 - a. PI calculation description (numerator, denominator, computation, and presentation)
 - b. numerator information (collection name and population description)
 - c. denominator information (collection name and population description)
 - d. calculation notes (including any information about how the PI is calculated)
 - e. methodology
 - f. rationale for supplementary data and reporting (including any additional information to explain how and why the specifications for the supplementary data differ from the specifications in the NMDS).

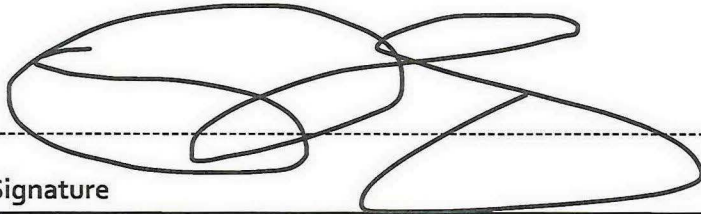
Performance requirements, reporting and payment summary 2023

33. Performance Reporting for 2023 will capture progress against planned actions undertaken by the Australian Capital Territory as detailed at Table 4.
34. Performance results and reporting will be signed off by the Commonwealth Minister who will then inform the Australian Capital Territory Minister of the outcome through an exchange of letters.

Sign off

35. The Parties have confirmed their commitment to this agreement as follows:

Signed for and on behalf of the Australian Capital Territory by



Signature

Date 9/3/23

Yvette Berry MLA

Minister for Early Childhood Development

Signed for and on behalf of the Commonwealth of Australia by



Signature

Date 24/3/23

The Hon Dr. Anne Aly MP

Minister for Early Childhood Education | Minister for Youth

Annex 1 – Funding Follows Child Acquittals

Commonwealth Funding Follows Child acquittals (updated by 31 March 2024)

Requirements for Commonwealth Funding Follows Child can be found in Appendix A to the PRA.

Examples of the types of program expenditure and subsidies that meet these requirements include:

- a. For enrolled children (in each setting):
 - i. Fee relief for families
 - ii. Provision of early childhood teachers to deliver preschool programs
 - iii. Quality improvements, including teacher recruitment and retention
 - iv. Program subsidies, including needs-based funding models or additional support
- b. For funding that cannot be attributed to an children enrolled in a quality preschool program:
 - i. Communication and outreach
 - ii. Enrolment and attendance strategies, particularly for Aboriginal and Torres Strait Islander children and disadvantaged children.
 - iii. Specialised programs, without which children would have no access to preschool programs, or programs that meet their individual needs

It is not the intention of Funding Follows the Child that per-child contributions are used to support:

- c. For enrolled children (in each setting):
 - i. Programs that cannot be attributed to settings
- d. For children who are not enrolled:
 - i. Universal program subsidies and fee relief for children enrolled in preschool programs.

States should provide an account of how FFC is allocated across settings and describe their approach or methodology to derive their calculation for the number of children in the YBFS within a particular setting. States should also provide some explanation of their method for estimating the YBFS population which is not yet participating in preschool.

To acquit funding by setting, states will need to complete Tables 1, 2 and 3 below and submit these to the Commonwealth by 31 March 2024.

In Table 1, States should set out the number of children that attended preschool in their YBFS in each setting as determined using the methodology outlined in their implementation plans. They should also include the total funding spent in each setting.

Table 1. Summary of children and Commonwealth funding spent by setting

Setting	Number of Children attending preschool in the YBFS	Total Commonwealth funding spent in setting
CBDC	State calculation of [n] children in YBFS counted against setting.	\$N.Nm
Stand-alone	State calculation of [n] children in YBFS counted against setting.	\$N.Nm
School-based preschool	State calculation of [n] children in YBFS counted against setting.	\$N.Nm
Total Commonwealth Funding spent in all settings		\$N.Nm

In Table 2, states should provide a summary of expenditure by program for initiatives that were undertaken to promote enrolment and attendance in preschool in reference to clause 7 of Appendix A. Again, this should reflect the methodology described in the State’s implementation plan.

Table 2. Summary of expenditure of Commonwealth funding not attributed to children in the YBFS enrolled in preschool (children in the YBFS who are not enrolled)

Estimated number of children in the YBFS, for which funding cannot be attributed to children in in any setting	Total Commonwealth funding spent
State calculation of [n] children	\$N.Nm

In Table 3, States should acquit funding against programs outlined in Table 2 of Implementation Plans. Where a program runs across more than one setting, a row should be added for each setting. This table relates to clauses 6 and 7 of Appendix A which outline the purposes for which Commonwealth funding should be used.

Table 3. Commonwealth funding by program and setting

Item	Setting	Program description	Amount (\$)
<i>Auto #</i>	<i>e.g. School-based</i>	<i>Type a description of the program.</i>	<i>\$NNN,NNN</i>
1.	Choose an item.	Click or tap here to enter text.	\$0
			\$ 0.00

Additional funding to maintain 2021 levels is not required to be acquitted through this template. However, States may choose to acquit this funding in these tables if this cannot be separated. States may also choose to include state funding at their own discretion.

Annex 2 – Progress Update

Progress update on actions agreed in the Implementation Plan

States reporting should provide updates on work agreed in Implementation Plans (Table 4) including implementation of attendance strategies in the following tables. The below table provides a template for the submission of this progress update.

Table 1: Reporting on delivery of Planned Actions for 2023 (update by 31 March 2024)

Element	Agreed Action	Progress Update
Reform Element One: Implement Commonwealth Funding Follows Child		
How Commonwealth funding follows child at the setting level will be implemented in the State	As per Table 4 in the Implementation Plan in 2023	A progress update on actions agreed at Table 4 provided in Annex 1
Reform Element Two: Implement a new national preschool attendance measure		
Work to ready the State to measure preschool attendance in 2025 and provide baseline data to the Commonwealth in 2024.	As per Table 4 in the Implementation Plan in 2023	A progress update on actions agreed at Table 4
Strategies to facilitate participation in preschool by children in the year before full-time school. For strategies relating to Aboriginal and Torres Strait Islander children, consistent with the Closing the Gap agreement, engage those communities and/or representative bodies in the design process.	As per Table 4 in the Implementation Plan in 2023	A progress update on actions agreed at Table 4
Reform Element Three: Implement a new national preschool outcomes measure from 2025		
Plans for how the State will work collaboratively with the Commonwealth to develop the preschool outcomes measure.	As per Table 4 in the Implementation Plan in 2023	A progress update on actions agreed at Table 4
Reform Delivery/Implementation		
State-specific data and implementation issues and strategies for how these will be overcome in the context of assessing performance under the Agreement.	As per Table 4 in the Implementation Plan in 2023	A progress update on actions agreed at Table 4