

Australian Capital Territory: Implementation Plan and Performance Report (Plan) - 2025

Preschool Reform Agreement – 2022 to 2025

This Plan covers:

- the implementation activities for the period 1 January 2025 to 31 December 2025 (Tables 2 – 4);
- the performance report for the period 1 January 2025 to 31 December 2025 (Annex 1 and 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 2025 to 31 December 2025.
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 fourth 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 Education.
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 2025.
10. This Plan may be varied by written agreement between the Commonwealth and the responsible State Minister.
11. 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

12. 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.
13. 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 2025 are set out in **Table 1**.
14. **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.
15. 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: 2025 Commonwealth financial contribution to the Australian Capital Territory

Category	Amount ¹
YBFS Financial Contribution	\$8,025,642
Additional funding to maintain 2021 levels	\$1,628,833
Total Commonwealth financial contribution (<i>excluding implementation funding</i>)	\$9,654,475
Preschool Outcomes Measure: Trial implementation support	\$0
Total Commonwealth financial contribution (<i>including implementation funding</i>)	\$9,654,475

¹Figures may not add due to rounding. These figures are based on the most recent YBFS population projections estimated by Australian Bureau of Statistics (ABS) in January 2025.

16. **Table 2** shows 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.	Commonwealth Funding Follows the Child financial contribution at the sector level, to the government school sector (3825 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 free, 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, free quality early childhood education programs.	\$5,526,207.00

2.	Implement the Commonwealth Funding Follows the Child financial contribution at the sector level, to the non-government school sector (1189 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 participate in, quality early childhood education programs.	\$1,717,819.64
3.	Implement the Commonwealth Funding Follows the Child financial contribution at the sector level, for the non-government long day care sector (541 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 participate in, quality early childhood education programs.	\$ \$781,615.16
Additional funding to maintain 2021 funding levels (delete if not required)					
3.	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 free 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, free quality early childhood education programs.	\$1,628,833

Total all programs and activities	\$9,654,475
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2025 funding allocations for Funding Follows the Child contributions to the government and non-government school sectors are based on actual 2024 Enrolment Census data.

As the ACT does not hold child level enrolment data for the long day care sector, the 2025 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 2025 (5,555) minus the 2024 Enrolment Census data for school-based preschools (5,014). This means that school-based preschool is considered the first setting for the purpose of Funding Follows the Child in the ACT.

In 2024, Enrolment Census data indicates 75 children who attend more than one school-based setting. Government school-based preschool is considered the first setting for the purpose of Funding Follows the Child in the ACT, as this placement provides free preschool for families.

State context and funding contributions

17. Context influencing the Australian Capital Territory delivery of preschool and the States' investment in preschool for 2025 is covered in this section.
 - a. 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.
 - b. 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.
 - c. 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

18. This section includes 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 (as per 2022 Implementation Plan)

Implementation Project (details)	Commonwealth funding	Actions (incl. deliverables)	KPI	Timing (incl. delivery schedule)
Development of system and process capabilities to support cross sectoral data collection (based on scoping and design work completed in 2023).	\$0.5 million	Development of system to support streamlined administration of funding follows the child from 2025.	Information management system developed and operational.	Q1- 2025

19. 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.

Preschool Outcomes Measure: Trial Implementation Support

20. This section outlines the ways in which States intend to spend Commonwealth funding made available to support the 2025 national applied trial of the Preschool Outcomes Measure (as outlined in Table 1) in accordance with *PRA Appendix A.2 Preschool Outcome Measure Trial*. This can include alignment activities or trial preparatory activities undertaken in 2024.
21. Commonwealth funding is being provided on the following basis:
- For States participating in the 2025 national applied trial by nominating the new national tool as their 'primary tool' – up to \$3.4 million.
 - For States participating in the 2025 national applied trial by nominating a tool that is well developed, validated but not yet trialled at scale as their 'primary tool' – a mid-point funding, more than \$1 million and up to \$3.4 million, to be negotiated bilaterally.

- c. For States participating in the 2025 national applied trial by nominating an existing tool as their 'primary tool' – up to \$1 million.
22. Where a state was not in a position to finalise details for Trial Implementation Support in its 2024 Implementation Plan, they should provide these details in 2025 Implementation Plans to access funding.
23. Implementation Plans will include high-level proposed expenditure categories for Trial Implementation Support funding. [States who claimed funding in 2024 should review this section and provide additional information as to how expenditure will be used in accordance with Appendix A.2.]
24. When completing Table 4 below, States are requested to also outline State contributions, where relevant, including in-kind contributions.

Table 4: Overview of Preschool Outcomes Measure Trial implementation support for Australian Capital Territory - Statement of Allocations

Activities (details)	Commonwealth funding	State contribution	Actions (incl. deliverables)	KPI	Timing (incl. delivery schedule)
Recruitment of temporary staff for 24 months to support POM Trial implementation.	\$783,344	ACT Government staff will undertake recruitment and onboarding activities for staff. ACT Government staff will provide supervision support and administrative support for staff over the two-year period.	Undertake recruitment actions and appoint staff Onboard staff	Staff appointed	Q1 2024 - completed
Prepare for and participate in the 2025 national applied trial using the new national tool as the 'primary tool'.	\$2,616,656	ACT Government staff will contribute to the design and planning of the POM Trial, including participation on national working groups and facilitating local stakeholder engagements. ACT Government preschool staff will be involved in the trial of the POM in identified ACT government preschools, subject	Participate in implementation activities as required by the Cwlth and provider. Undertake a grant process for trial sites to encourage participation. Liaise with ACT stakeholders to confirm trial sites. Support trial sites to understand the POM Trial and prepare for implementation.	Suitable number of trial sites engaged and supported to prepare for and implement the POM Trial in 2025.	Throughout 2025

		to industrial consultations.	Support trial sites to implement the POM trial and contribute to evaluation activities as required. Engage with NOUS on the evaluation of the POM work by ACER.		
TOTAL	\$3.4 million				

25. Commonwealth funding for Preschool Outcomes Measure: Trial Implementation Support will be provided on the basis of the information provided above when the Commonwealth and State agree the 2025 Implementation Plan.

Risk Management

26. 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

27. 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.
28. The actions that the Australian Capital Territory will undertake to meet these commitments are detailed in **Table 4**.

Table 5: Planned Actions for the period 1 January 2025 to 31 December 2025 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>Measures to be undertaken in 2025:</p> <ul style="list-style-type: none"> • The ACT will distribute funding directly to the government school sector through existing funding distribution arrangements. • The ACT will distribute funding to the non-government school based preschool sector through a Deed of Grant arrangement: <ul style="list-style-type: none"> o The Deed will clearly articulate the Commonwealth contribution to stakeholders. o Recipients will be required to apply funding in line with the requirements of the PRA, including implementation of initiatives that promote enrolment and attendance in preschool. o Funding will be distributed through two milestones: 30% will be provided on execution of the Deed and a progress report will be required to be provided to the Territory in order to release the remaining 70%. o An acquittal of funding will be requested at the end of the Deed period. • The ACT will invest funding into quality improvement strategies for the long day care sector (based on consultation themes), which may include: <ul style="list-style-type: none"> o Professional learning opportunities such as formal training on topics identified through the consultation o Coaching opportunities to lift quality in program delivery through Preschool Practice Coaches o Grant offerings to enable services to implement quality improvement strategies appropriate to their unique setting and/or to release staff to attend professional learning. Grants will be available via application and an acquittal of funding will be requested at the end of the Grant period. 	Throughout 2025
Reform Element Two: Implement a new national preschool attendance measure		

Reform Element	Actions	Timing
<p>Agree details of preschool enrolment and attendance targets for 2025, to be measured using data provided to the Commonwealth, in accordance with Appendix A.1 in 2024 (to set the baseline) and 2025 (to measure performance against the baseline).</p> <p>Appendix A.1 to the PRA agrees attendance targets will be expressed according to the formula 'at least x% of children attend at least y% of 600 hours'.</p> <p>The PRA agreed attendance targets that are being introduced for the first time in 2025 will be negotiated bilaterally in good faith once national baseline data is available (refer pg.10, note 4 of the PRA and clause 15, Appendix A), and in accordance with the guiding principles PRA Appendix A.1.</p> <p>However, noting enrolment data in previous years was generally available in late March, delivery of 2024 baseline attendance data in May-June 2025 was not (and could not be) anticipated when the PRA was signed in 2022, before the details of the attendance data collection arrangements had been worked through multilaterally.</p> <p>In this context, to limit delays to the agreement of this IP and payment of the associated funding allocation attendance targets for 2025 <i>may</i> be agreed as:</p> <ul style="list-style-type: none"> • a proportion (y%) of 600 hours; • with levels of 'x' for each Performance Indicator becoming known when 2024 data becomes available (noting this is expected to occur after this Implementation Plan is agreed); and • <i>any improvement</i> in 2025 on the baseline level of 'x' in 2024 may be taken as meeting Target (a) as set out in the PRA to receive full funding under the specific Performance Indicator. 	<p>Work towards meeting the following agreed targets for 2025:</p> <ol style="list-style-type: none"> 1. Improvement from the 2024 baseline proportion of children in the year before full-time school (x%) who attended a preschool program(s) for 70% of 600 hours (390 hours). 1.2 Improvement from the 2024 baseline proportion of Aboriginal and Torres Strait Islander children in the year before full-time school who are enrolled in a preschool program(s) for 600 hours. 2.2 Improvement from the 2024 baseline proportion of Aboriginal and Torres Strait Islander children in the year before full-time school (x%) who are attending a preschool program(s) for 65% of 600 hours (390 hours). 1.2 Improvement from the 2024 baseline proportion of disadvantaged children in the year before full-time school who are enrolled in a preschool program(s) for 600 hours. 2.2 Improvement from the 2024 baseline proportion of disadvantaged children in the year before full-time school (x%) who are attending a preschool program(s) for 65% of 600 hours (390 hours). <p>State to insert actions related to delivery of attendance and enrolment data in 2025, including transitional arrangements (refer also to instructions in Part 5, paragraph 32)</p> <p>Measures to be undertaken 2025:</p> <ul style="list-style-type: none"> • The ACT Education Directorate will collect preschool enrolment data and preschool attendance data for 2025 term 2 for children enrolled in public schools. • In 2024, three independent preschools in the ACT did not provide data to the Commonwealth through the CCSS. ACT Education Directorate will act as data collection agent for these three services unless a service chooses to submit data directly to the ABS or AG DoE. • Catholic Education will continue to act as the collecting agent for preschool services provided by Catholic Education Early Learning 	<p>Detailed 2024 baseline data scheduled for delivery in May-June 2025</p> <p>2025 performance data expected delivery March-April 2026</p>

Reform Element	Actions	Timing
<p>If a jurisdiction prefers to wait until baseline data is available – any improvement in 2025 on the baseline specified value of 'x' in 2024, against the agreed 'y' value may be taken as meeting Target (a) as set out in the PRA to received full funding under the specific Performance Indicator. The ABS expects to provide custom tables to test settings of this kind in early June 2025.</p> <p>Similarly, noting enrolment targets will also be measured according to a new YBFS methodology, any improvement in 2025 on the baseline proportion (x%) of children who were enrolled for 600 hours in 2024 will be taken as meeting Target (a).</p> <p>This is a transitional measure for the first year of targets under new data collection arrangements and should not be considered as setting a precedent for future years.</p> <p>Targets will be set <i>and assessed</i> with reference to the PRA Appendix A, clause 15 and clause 21 and Appendix A.1 clauses 4.15, 4.16 and the principles set out in Appendix A.1 section 5, noting the Parties acknowledge:</p> <ul style="list-style-type: none"> attendance in preschool programs is not compulsory and influenced by parental choice and other factors attendance targets have been set in advance of understanding the outcomes from the 2024 preschool attendance collection the attendance measure is based on a new data collection and may be subject to year-to-year volatility; this volatility may be driven by a number of factors such as higher than average levels of illness and changes in the mix of provision within a jurisdiction (i.e. between school based / community preschool / CBDC) a range of sources of supplementary data may need to be provided and considered in good faith to properly assess performance against attendance targets 	<p>Centres. Data will continue to be provided directly to ABS or via the CCSS.</p> <ul style="list-style-type: none"> All other preschool services in the ACT submit enrolment and attendance data via the CCSS. This includes services provided by the other independent preschools 	

Reform Element	Actions	Timing
<ul style="list-style-type: none"> • capacity to demonstrate year-on-year improvements diminish the greater the proportion of children attending at the target attendance rate • inclusion of targets within 2025 Implementation Plans do not constitute agreement to those same targets in future years or for future agreements. 		
<p>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>	<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 Early Years Engagement Officers. • Engaging vulnerable and disadvantaged families through Early Childhood Community Coordinators. • Providing supported transitions and inclusive practices through Preschool Pathways Partners. 	<p>Throughout 2025</p>
Reform Element Three: Implement a new national preschool outcomes measure trial in 2025		
<p>How the State will participate in the National Applied Trial of the preschool outcomes measure, in accordance with Appendix A.2. (Note, reform element has been updated to reflect Appendix A.2. The actions a State plans to undertake should be consistent with the timeline agreed to by Education Ministers in August 2024).</p>	<p>Measures to be undertaken 2025</p> <ul style="list-style-type: none"> • The ACT will collaborate with the Commonwealth and ACER to prepare for the National Applied Trial schedule to commence in June. • The ACT opts to use the national tool as the 'primary tool'. • The ACT will liaise with stakeholders to share information on the trial and encourage participation. • The ACT will undertake an Expression of Interest process to identify suitable service providers and invite voluntary participation in the POM Trial. • The ACT will offer a financial incentive (using Cwlth funding) to trial sites to encourage participation in the trial. • The ACT will work closely with trial sites to support participation in the trial. 	<p>Throughout 2025</p>

Reform Element	Actions	Timing
	<ul style="list-style-type: none"> • The ACT will collaborate with ACER to develop suitable communications and support materials. • The ACT will ensure ongoing participation in the POM WG and engagement with ACER/Nous, including drafting of Appendix A.3 Part Two. 	
Reform Delivery/Implementation		
<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>	<ul style="list-style-type: none"> • Measures to be undertaken 2024 <ul style="list-style-type: none"> ○ The ACT undertakes to continue 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. ○ The ACT undertakes to work collaboratively with the ABS to apply the Index of Household Advantage and Disadvantage (IHAD) methodology to measure disadvantage in the ACT context. ○ 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>Throughout 2025</p>

PART 5: PERFORMANCE AND REPORTING ARRANGEMENTS

29. Part 5 sets out the performance and reporting arrangements for the Australian Capital Territory for 2025.
30. 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.
31. 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.
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).
33. [States may also use this section to clarify or elaborate on how terms or definitions for '*Disadvantaged children*' and '*Preschool program*' are realised in their specificity within their jurisdiction as per the Agreement (Definitions, p.15 of the Agreement refers).]
34. From 2024, States were required to provide baseline enrolment and attendance data in order to receive their full performance funding. Appendix A.1 and Appendix B to the Agreement set out the nationally agreed approach for data collection, provision, and reporting.
 - a. Where a State has agreed with the Commonwealth transitional arrangements for 2025, these should be detailed in Table 5 and 6.
35. Table 6 covers information states are required to report annually to facilitate application of Appendix A.1 and Appendix B in 2025.

Table 6: State specific attendance and enrolment data considerations

Category	Required Information
Attendance collection period	<ul style="list-style-type: none"> The ACT will provide 2025 attendance data for Term 2 only (Monday 28 April 2025 (student-free day) to Friday 4 July 2025).
Data provision	<ul style="list-style-type: none"> Whether the state is choosing to provide their attendance and enrolment data separately or at the same time. (refer Appendix B, pg. 4). June

	<p>attendance data and August enrolment data to be supplied in 2 separate datasets (TBC with Technical Working Group).</p> <ul style="list-style-type: none"> The nationally agreed due dates for data submission to the ABS (to be provided by the Commonwealth). <ul style="list-style-type: none"> ACT Education Directorate will provide attendance and enrolment data separately (refer Appendix B, pg. 4). June attendance data and August enrolment data will be supplied in two separate datasets, which will be provided at the same time for both geocoding (2-20 September), with initial data submission between 23 September and 11 October and final analytical data before 15 November). ACT Education Directorate will be following Option B for the provision of data for the National Preschool Attendance Collection (NPAC) and the National Early Childhood Education and Care Collection (NECECC).
Child and state specific YBFS	<ul style="list-style-type: none"> The child specific YBFS age range(s) for 2025, that is, the age children become eligible for YBFS preschool (the year before they become eligible for school) to the age school becomes compulsory. Please note, the ABS must be notified as soon as possible if there are changes to school starting rules, including any changes since 2024. Any changes to the age ranges used to calculate the state-specific YBFS must be agreed with the ABS. The ABS must be notified as soon as possible of any known issues that may need to be considered by the ABS in developing the estimated (predicted) YBFS population and/or child-specific YBFS enrolment and attendance counts, including future issues. <ul style="list-style-type: none"> A child is eligible for 4-year-old (YBFS) preschool when born between 1 May 2020 to 30 April 2021. Parents can select to delay commencement of 4-year-old preschool if born between 1 May 2019 – 30 April 2021. Children must be enrolled in compulsory education (first year of formal schooling) 10 days after their sixth birthday.
Children who repeat YBFS preschool	<ul style="list-style-type: none"> Whether the state intends to claim funding for children who have a second year in a YBFS preschool program ('repeaters'). If so, details of how they will provide the data to meet funding criteria as set out in Appendix A.1. The state may use the claims form provided by the Australian Government at Attachment B. <ul style="list-style-type: none"> ACT intends to claim funding for children who have a second year in a YBFS preschool program ('repeaters') in 2025 ACT will be able to provide an estimate of the number of children repeating preschool (School-based preschools and Catholic Education ELCs) in 2025 using data from the 2024 and 2025 February Censuses of ACT Schools. ACT Education will provide statistical linkage keys for all child records submitted by the Directorate to the National Early Childhood Education and Care Collection. It is our expectation that other data providers will also provide child records with statistical linkage keys as per the requirements of the ECEC NMDS

36. 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 measure.

Performance requirements, reporting and payment summary 2025

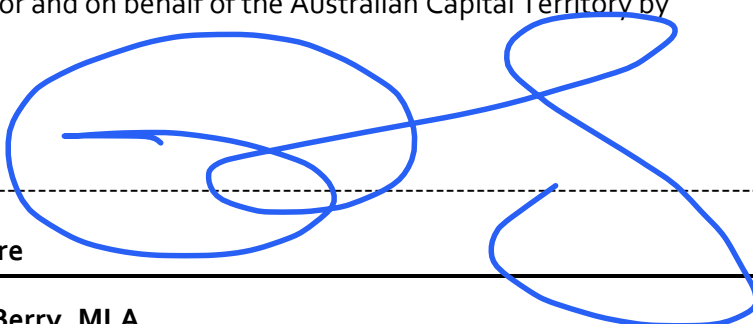
37. Performance Reporting for 2025 will capture progress against planned actions undertaken by the Australian Capital Territory as detailed at Table 5. States should provide sufficient detail in performance reporting to enable consideration of progress against actions and provide the Commonwealth with a draft prior to submission of the final report.
38. Performance 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

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

Signed for and on behalf of the Australian Capital Territory by

Signature



Date

05/03/25

Yvette Berry, MLA

Minister for Early Childhood Development

Signed for and on behalf of the Commonwealth of Australia by

Signature



Date 07/03/2025

The Hon Dr. Anne Aly MP

Minister for Early Childhood Education | Minister for Youth

Annex 1 – Funding Follows Child Acquittals

Commonwealth Funding Follows Child (CFFC) acquittals (updated by 31 March 2026)

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 any 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 CFFC 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 2026.

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

State and Territory reporting should provide updates on work agreed in Implementation Plans (Table 5) 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 2025 (update by 31 March 2026)

Element	Agreed Action		Progress Update
Reform Element One: Implement Commonwealth Funding Follows Child (CFFC)			
How Commonwealth funding follows child at the setting level will be implemented in the State	As per Table 5 in the Implementation Plan in 2025		A progress update on actions agreed at Table 5.
Reform Element Two: Implement a new national preschool attendance measure			
The approach to measure preschool enrolment and attendance and how data will be provided to the Commonwealth, in accordance with Appendix A.1.	As per Table 5 in the Implementation Plan in 2025		A progress update on actions agreed at Table 5.
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 5 in the Implementation Plan in 2025		A progress update on actions agreed at Table 5.
Reform Element Three: Implement a new national preschool outcomes measure from 2025			
How the State will participate in the National Applied Trial of the preschool outcomes measure, in accordance with Appendix A.2.	As per Table 5 in the Implementation Plan in 2025		A progress update on actions agreed at Table 5. States should also provide an update on the use of Commonwealth funds provided through Preschool Outcomes Measure: Trial Implementation Support.

		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 5 in the Implementation Plan in 2025		A progress update on actions agreed at Table 5.