



OSHC under the spotlight Getting it right

With vacation care underway in many parts of Australia, and OSHC the centre of some big spending commitments at the recent NSW election, it's timely to take a look at what's on offer and how it might play out for educators and school communities. *Amplify editor Bec Lloyd* speaks to CELA CEO Michele Carnegie in the first of several OSHC/OOSH-related stories considering the future promises and current realities of before and after school care.

Promise of investment

In March this year, ahead of their win, the [Liberal Premier of NSW Gladys Berejiklian promised OSHC](#) \$120 million in a series of programs over the next four years.

Returned to office, and with junior Minister Sarah Mitchell now [promoted to Education and Early Childhood Minister](#) it's time to look again at the Berejiklian Government's commitment and see what's now in store for a valued part of the sector in Australia's most populous state.

The investment promise of \$120 million over four years includes, in a quote from the [campaign statement](#):

- ▶ **\$50 million** for more funding to help schools buy new equipment and expand or establish new facilities, especially in high demand areas
- ▶ **\$40 million** in rental subsidies, up to \$15,000 per annum, to eligible service providers to reduce the cost on parents who utilise OSHC services

- ▶ **\$20 million** to facilitate implementation of services and help tailor solutions for school communities where a standalone service may not be viable, including smaller schools and rural and remote communities
- ▶ **\$8.5 million** to create a specialist OSHC team to help provide bespoke solutions, coordinate services, take the hassle out of managing contracts for schools and offer providers more support than ever before
- ▶ **\$2 million** to develop an online portal to allow parents and carers to register interest, search for and book student places online.

Make it effective

CEO Michele Carnegie says Community Early Learning Australia (CELA) is focused on what members and the wider sector are saying about issues with OSHC, particularly in NSW.

“If we look at the Premier’s promise, we see a lot of potential to address major problems that have plagued this part of the sector for years and had an especially devastating effect on parent-managed, not-for-profit (NFP) services,” Michele says.

“In a positive light, the Premier and Minister’s funding priorities recognise that urgent changes are required so as management can provide secure, affordable services that meet the growing needs of communities. OSHC have suffered an uneven playing field for too long.

“Some good outcomes from the \$120 million might include sustaining smaller NFP providers; reducing fees to parents with an accountable process around subsidised licence fees, and helping parent committees and small providers to present tender responses that aren’t diminished against the expert offers made by major businesses in competing processes.”

Getting it right

Michele says there have been strong signals the government wants to ‘get it right’ by including the sector in the consultation process.

“We’ve seen a lot of movement in the Department of Education’s approach to OSHC providers over the years in NSW, and it has almost always been to the detriment of parent-managed NFP services,” she says.

“We have signs now that might change.

“Investment needs to be in the right areas so issues of demand are addressed.

“The goal must be to ensure financially sustainable services, operating from secure venues, from which quality programs are run for children.”

As part of CELA’s contribution to the sector feedback on OSHC funding, after Easter a survey of before and after school care providers across Australia will be launched through Amplify seeking advice on supply and demand, fees, staffing and viability – scroll down for more.

Can’t compete

Michele points particularly to the fourth item on the Premier’s agenda for OSHC spending, with its offer of expertise to help parent-managed and other community based services in the tendering process.

“They just cannot compete with the big providers, and the Department is now listening to that concern and looking for answers” Michele says.

“Small NFP OSHC just don’t have the expertise – or the money to pay for the expertise – to compete with the big providers who are familiar with complex tendering processes. Most big providers would have a team of tendering experts full time – or consultants available to them.”

And there is, in OSHC, a growing bloc of major providers. CELA Sector Specialist Kerrie Maguire says she has been watching the numbers shift for years.

“People are aware of the big names in long day care, but the majority in that sector are still small and independently operated,” Kerrie says.

“In OSHC we have seen the big groups get bigger, not by a separate growth process but by constantly winning tenders away from parent-operated NFP small services.

“It means the balance has tipped far faster towards a small number of ‘owners’ in the OSHC provider environment. It is a much closer parallel to the ABC Learning scenario than what’s happened in early learning.”

A start, with much to do

Readers may be [aware](#) of [years](#) of [mainstream news about OSHC](#) shortages, school tenders flowing to big providers, or schools where principals are reluctant to allow OSHC of any kind access to buildings after hours despite parent demands.

The government now hopes to work with the sector, potentially ending a stream of negative stories where OSHC advocates are backed by highly supportive and frequently desperate family campaigners.

But while the announcement of \$120 million is a good start, and the target areas are aligned with sector concerns, there’s still a lot of work to do.

Preparing this story, we came across several current local campaigns run by families and/or small OSHC providers, to address Department of Education decisions which threaten viability, raise fees, or lead to closure of a community based service.

Tender loss at Rainbow Street

One example is the subject of a [Change.org petition](#). It tells a sadly familiar tale:

“ The Rainbow Activity Centre (TRAC) in Randwick has been operating in Rainbow Street Public School for 16 years. Our team of long term (10+ years) staff have meaningful bonds with our children and families some of which extend beyond 10 years and into adulthood. 95% of our parent’s hold our service in high regard and are very happy with us to continue to provide care to their children.

However, in an inadequate process conducted by the NSW Education Department we lost the open tender to a much larger organisation who have accumulated 15 centres in 5 1/2 years.

The first years fees of the new provider will see our parents charged more than \$100,000.00 per year (20% more) for absolutely **no added value** for our children or families. Who knows what will the fees will be over the next 5 years?? ”

[Read the full petition](#)

Fee shock

Elsewhere, several NSW OSHC providers have received notification their licence fees (the rent and services payments to a school) will more than double this year, for -as yet - no apparent reason. Email advice to school principals – some of whom have shared the news with their OSHC coordinators – flags a massive increase with the worst example a triple fee rise from \$10,000 a year to \$31,000 a year.

The services Amplify heard from this week are what the NSW Department of Education calls Category A: NFP, parent-managed, and generally considered to be preferred providers. Questions remain to be answered about the increase, including whether it has any relationship to the \$40 million for 'rental fee subsidies' in the Premier's announcement.

Here's one story:



The manager from one southern Sydney public school OSHC said her service is facing an increase of more than double.

"I have been told our fee will rise from \$13,000 to \$31,000," Sue (not her real name) said.

"I haven't been given an effective date but the email we were shown says it will be backdated, so presumably that means to the start of this year."

She asked not to be named ahead of her meeting with the local Asset Management Unit (AMU).

Sue posted her news on a closed Facebook group for similar managers and coordinators and found several others already reeling from the same news. One respondent, verified by Amplify, has been told their licence fee will triple from \$10,000 to \$31,000 this year. That service is also NFP, parent managed and has had no change in numbers (150 places).

Sue says her service has increased places this year, catering for high demand from families.

"We increased from 90 to 107 places, and I discussed the bigger numbers extensively with the principal and the local AMU – at no time did they say it would more than double our licence fee. No one seems to know what's going on but many of us have had these notices in the past month or so, since the NSW election.

"But if you go to the Department website it says licence fees are pegged to CPI and should only go up by 4% a year. [See link below]

"If this goes ahead we won't have any choice but to increase fees for families. We will have to go from fresh food to frozen, even though fresh snacks every day are a really important element of what we offer and what our parents seek out.

"We will also have to cut out extra activities like yoga and we will have to drop our whole casual budget which limits us very strictly to basic activities."

Sue says her next step is to ask for a meeting with the AMU, the principal and her parent committee to get to the bottom of this forewarning of the increase.

"If that fails we will be mobilising the school community because we know they value the service we provide, and they know the fees are much higher with the private providers who will come in here if we become unviable."

[FAQ from NSW Department of Education site:](#)

Q7 Why do licence fees increase?

Licence fees increase by a standard 4% on the anniversary of the commencement date of the licence to cover CPI and increases in utility costs. Provision for an annual increase is written into the Licence Agreement.



Up next

CELA is preparing a survey of OSHC services to be distributed with the next Amplify (29 April 2019). The survey will gather data for consultation in NSW and may be valuable in other jurisdictions facing OSHC issues of supply or fair play, too.

If you're reading this story and want to be part of the survey,

please ensure you [subscribe to the Amplify](#) email so you don't miss the survey invitation.

Information, as they say, is power. So make sure your voice is as powerful as possible, [subscribe to Amplify](#) and participate in the 2019 OSHC survey.



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