

Deloitte.



Review of the Inclusion Support Program

Final Report

Australian Government Department of Education

September 2023

Deloitte
Access **Economics**

Glossary

Acronym	Full name
ABS	Australian Bureau of Statistics
ACCC	Australian Competition and Consumer Commission
ACCS	Additional Child Care Subsidy
ACECQA	Australian Children’s Education & Care Quality Authority
AEDC	Australian Early Development Census
AIFS	Australian Institute of Family Studies
AIM	Irish Access and Inclusion Model
ASD	Autism Spectrum Disorder
CAEPR	Centre for Aboriginal Economic Policy Research
CALD	Culturally and Linguistically Diverse
CBDC	Centre-based Day Care
CCCFR	Community Child Care Fund Restricted
CCP	Child Care Package
CCS	Child Care Subsidy
CPI	Consumer Price Index
CRPD	United Nations Committee on the Rights of Persons with Disabilities
DDA	Disability Discrimination Act 1992
DEC	Division for Early Childhood
DSE	Disability Standards for Education 2005
ECIADSS	Department of Social Services
ECEC	Early Childhood Education and Care
ECEI	Early Childhood Early Intervention
ECIA	Early Childhood Intervention Australia
EYLF	Early Years Learning Framework
FAL	Family Assistance Law
FDC	Family Day Care
FTE	Full Time Equivalent
IA	Inclusion Agencies

IDF	Inclusion Development Fund
IDFM	Inclusion Development Fund Manager
IESG	Inclusive Education Support Grant
IESP	Inclusive Education Support Program
IHC	In Home Care
IP	Inclusion Professionals
ISP	Inclusion Support Program
KIS	Kindergarten Inclusion Support
KISS	Kindergarten Inclusion Support Scheme
KPIs	Key Performance Indicators
MTOP	My Time, Our Place
MTSS	Multi-tiered Systems of Support
NCCD	Nationally Consistent Collection of Data on School Students with Disability
NCKO	Dutch Consortium for Child Care
NDIS	National Disability Insurance Scheme
NQF	National Quality Framework
NSCE	National Council for Special Education
NWC	The Early Childhood Education and Care National Workforce Census
ODD	Oppositional Defiant Disorder
OOHC	Out of Home Care
OSHC	Outside school hours care
OT	Occupational Therapist
QIP	Quality Improvement Plan
QKLG	Queensland Kindergarten Learning Guideline
RA	Regulatory Authority
SPD	Sensory Processing Disorder
TAFE	Technical and Further Education
UDL	Universal Design for Learning
UN	United Nations
USI	Unique Student Identifier

Acknowledgement

Deloitte Access Economics would like to acknowledge the significant contribution of government and sector stakeholders, peak bodies, academics and researchers, early childhood education and care (ECEC) and inclusion-focused advocacy organisations and, in particular, ECEC services who provided their thoughtful and considered feedback as part of interviews and focus group sessions.

Deloitte Access Economics sincerely acknowledges the contributions of Aboriginal and Torres Strait Islander ECEC services as part of the consultation process for this review. Feedback from these services has provided the review with findings around the context, needs and expectations of Aboriginal and Torres Strait Islander services and communities, as well as community-centred approaches to delivering inclusive supports for children.

Deloitte Access Economics would like to recognise the contribution of SNAICC – the national voice for Aboriginal and Torres Strait Islander children – in coordinating and co-facilitating these discussions, as well as providing the review team with ongoing support to enable a culturally-aware and safe space for consultation.

Finally, Deloitte Access Economics would like to thank the Department and the relevant project teams involved with supporting and coordinating relevant materials and documents for this research, as well as ORIMA for providing program data to support the review.

Contents

Glossary	i
Contents	iv
Executive summary	v
Summary report	xi
ISP Review Report	1
Part A: Background and context	2
1 Introduction	3
2 Overview of the Inclusion Support Program	6
3 The review framework and methods	20
4 Underpinning evidence base	29
Part B: Review findings	36
5 Policy and strategic alignment	37
6 Program design and effectiveness	58
7 Resourcing and financial sustainability	74
Part C: Opportunities	85
8 Opportunities for change	86
9 Implications for future program design	130
Appendix A : Previous evaluations and studies	137
Appendix B : Overview of the Australian ECEC landscape	143
Appendix C : Wider policy and legislative context	147
Appendix D : International approaches to inclusion in ECEC	174
Appendix E : Literature on strengthening inclusive practice in ECEC	179
Appendix F : Data collection instruments	188
Limitation of our work	195

Executive summary

Governments in Australia have long recognised the importance of early childhood education and care (ECEC) as a foundational element of a child’s educational journey, as an avenue to reducing barriers to parents’ workforce participation and in its role in nurturing children’s intellectual, emotional, social and physical development.

Inclusion in ECEC programs has become an important national policy focus, with the Review of the Disability Standards for Education 2005 recommending that early childhood education and care be explicitly included in the Standards for the first time. More recently, the draft National Vision for ECEC outlines a vision in which every child can access and participate in high-quality, culturally responsive ECEC.

The Inclusion Support Program (ISP or ‘Program’) is the Australian Government’s primary inclusion funding program for ECEC services, providing \$133 million per year to support inclusion in CCS-approved ECEC services.

Review purpose and objectives

The ISP review sought to examine the degree to which the outcomes and objectives being pursued by the Program are being achieved and whether changes to the Program could improve its efficiency and/or effectiveness and increase alignment to the Australian Government’s broader early years policy agenda.

This review aimed to identify revisions to the Inclusion Support Program in the short term while establishing a framework and process for its future redesign.

While previous evaluations have recommended incremental process improvements to the Program, this review has been shaped by a broader set of questions about the purpose, adequacy and effectiveness of the Program in supporting inclusion in a contemporary ECEC context. This included considering the ISP within the broader policy ecosystem of other inclusion supports available in early years settings, and potential opportunities for change to enable knowledgeable, responsive and inclusive early childhood settings across Australia.

Context to this work

This report was developed at a specific point in time and reflects the state of the ECEC system, the Inclusion Support Program, and the policy environment at that moment. Specifically, the report

- was developed prior to the release of two concurrent reviews: the Review of the National Disability Insurance Scheme, and the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability.
- will inform the Productivity Commission inquiry into the early childhood education and care system in Australia. The draft report for the Productivity Commission inquiry is scheduled for release in November 2023.

Research overview

The review has been guided by 11 research questions and a review framework, which was developed through collaboration between the research team at Deloitte Access Economics and the Department. The evidence base informing the findings of this review included:

- comprehensive review of current ECEC and inclusion-focused literature from Australian and international sources
- national ECEC sector survey with 1,963 unique responses, across all service types

- qualitative focus groups/interviews with 59 ECEC services
- a consultation partnership with SNAICC to support meaningful and culturally appropriate consultation with Aboriginal ECEC services.
- stakeholder interviews with 44 organisations across governments, peak bodies and inclusion and ECEC sector advocacy organisations
- program data analysis, through data collection support from ORIMA
- further analysis of publicly available data.

Review findings and opportunities

Research conducted over the review culminated in the development of a comprehensive review report, outlining key findings, opportunities to revise the program and longer-term opportunities to drive inclusion in ECEC.

The Program has a stated objective of supporting services and staff to be inclusive, which aligns with broader Commonwealth policies and commitments, including ongoing collaboration with state and territory governments to establish a National Vision for ECEC. At an overarching level, the review finds that when the supports currently offered under the ISP – support and guidance from Inclusion Agencies, access to an additional educator and equipment from the specialist equipment library – are delivered and accessed as intended, the Program meets its objectives. However, current program resources are not being directed towards the activities which will have the greatest impact – and the program settings could be optimised to make this more likely. To develop an early years system which is best placed at promoting inclusion in the long run, there is a need to consider developments beyond the scope of the ISP itself and across the broader ECEC ecosystem.

The review identifies five key policy areas in which the ISP can be improved in the short term and a long-term vision framed across five broad policy areas: strategic intent, capability building, needs-based support, effective resourcing and monitoring and evaluation. For each of these policy areas, Figure i below outlines the vision which a program like ISP should aspire to, the key findings of the ISP review, and the relevant opportunities for change.

Review findings

The final report of the ISP review outlines:

- 21 key findings in response to the review’s overarching research questions
- 21 identified opportunities to further strengthen the ISP (short- and medium-term)
- Five longer-term opportunities to further embed inclusion in Australian ECEC.

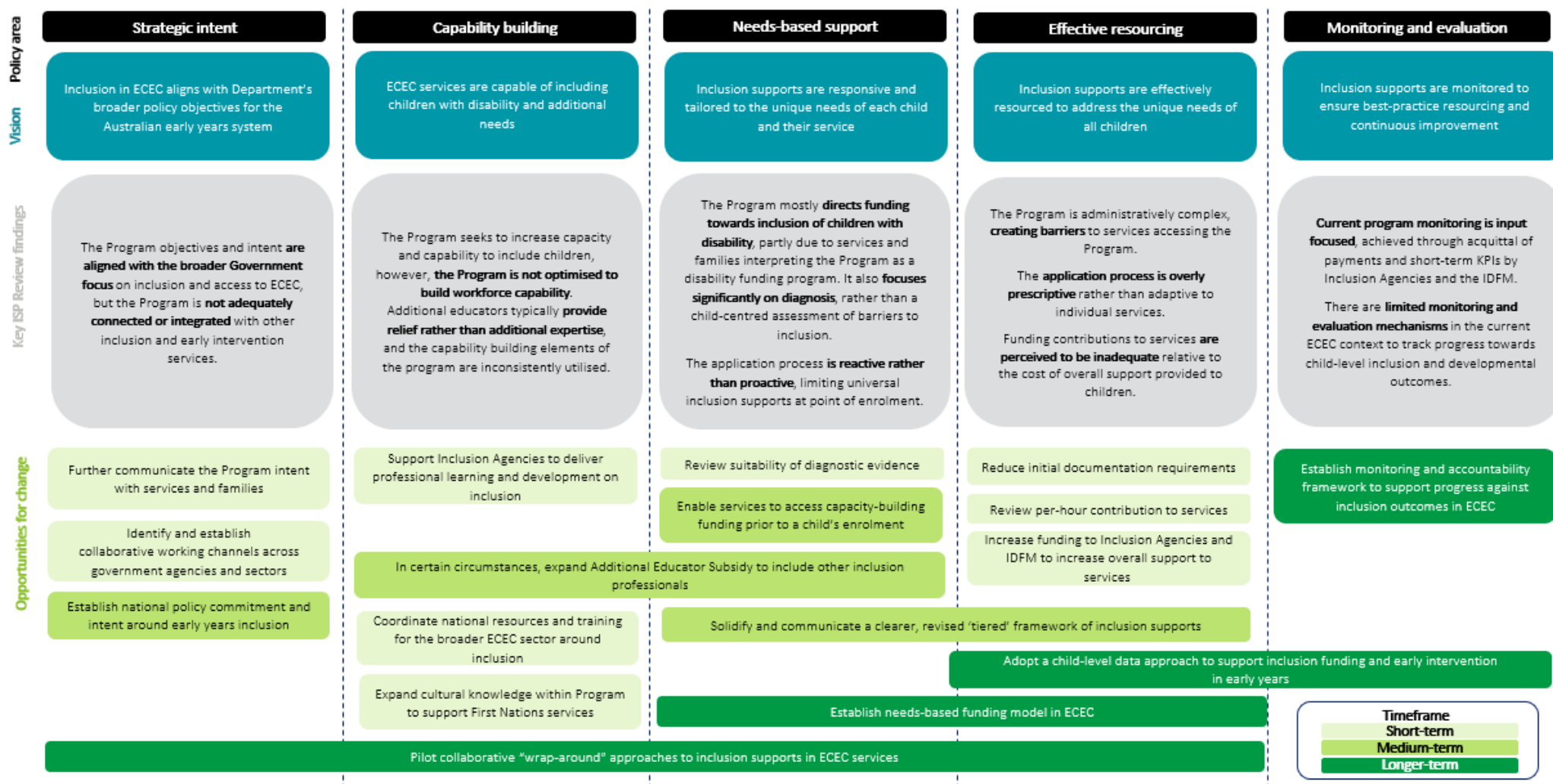
A summary of the key findings and opportunities – grouped by the high-level themes arising from the review – is outlined in Figure i below.

The review finds the following in respect of the five key policy areas outlined above.

- **Strategic intent:** The program objectives are aligned with the broader government focus on inclusion and ECEC (as articulated in the aims of the Early Years Strategy and the draft National Vision for ECEC). However, the Program is not adequately connected or integrated with other Commonwealth and state inclusion and early intervention services or programs. Areas with misalignment include the National Disability Insurance Scheme, state and territory inclusion funding programs and the evolving expectations for ECEC under the Disability Standards for Education 2005 outlined in the 2020 Review.
- **Capability building:** While the Program is intended to develop workforce capability, it is not optimised to do so. Rather, the supports provided tend to be interpreted and applied as relief or capacity measures. Through the IAs, IDFM and its role in providing resources, ISP has a strong architecture to build capability – but this is not currently used or distributed consistently and could be strengthened through a more direct focus on professional development.

- **Needs-based support:** While ISP is intended to focus on a broad measure of inclusion, the program has a strong focus on disability and prioritises funding based on diagnosis. Further, it does not effectively allocate resources to proactively invest in capability building, reflective practice and service improvement.
- **Effective resourcing:** Aspects of the Program, in particular one-on-one, specialist support and guidance from Inclusion Professionals and the development of a Strategic Inclusion Plan (SIP), are oriented towards building the capacity of services. However, opportunities to engage meaningfully with these guided, reflective tools are limited due to the program's resourcing limitations and overall administrative burdens.
- **Monitoring and evaluation:** Program monitoring has a strong focus on payment acquittal and short-term KPIs; it is not presently focused on outcomes or practice improvement. There is potential to enhance the monitoring and evaluation mechanisms to track progress towards practice improvement and outcomes.

Figure i: Key findings and opportunities



Source: Deloitte Access Economics (2023)

Opportunities arising from the review

There is significant potential to optimise the Program and, in doing so, improve the outcomes it achieves. Benefits would stem from increasing the ECEC sector's overall knowledge, confidence and capability in inclusive practice, and ability to proactively develop adjustments to meaningfully include children with additional needs.

In the short and medium term, there is a need for a sustained focus on building the capability and knowledge of the sector to support inclusion. This should also recognise that the current ECEC workforce is under day-to-day pressure (both time and financially) and there are significant barriers to professional development and training (in many cases training is completed outside standard working hours). This focus on knowledge and sector capability can be achieved through:

- Increasing resourcing and outputs of Inclusion Agencies to increase their exposure to services (providing more chances for deeper, reflective practice and training)
- Developing and disseminating training and guidance for services in regarding inclusion
- Promoting the importance of inclusion and building this knowledge across the sector

To truly enable universal access within a market-driven ECEC system, the review proposes more systemic changes to culture, practice, accountability and resourcing at a sector-wide level – shifting beyond a programmatic response. In the longer term, consideration should be given to:

- Creating an explicit national commitment to inclusion in ECEC
- Adopting a strategic approach to develop inclusion-oriented workforce capability
- Bringing together inclusion services (such as health and the National Disability Insurance Scheme) as part of a linked-up system or 'wrap around approach'
- Securing funding through a systematic, needs-based approach not driven by eligibility of a particular program – providing certainty to providers, services and workforces that they can proactively invest in inclusion capability and supports
- Developing structures of monitoring and accountability that encourage and enable providers to proactively develop inclusive capability.

Implementation and phasing

In the short and medium term, adjustments to the Program can be made that will address some of the review's key findings and enhance the ability of the Program to develop inclusive capability across ECEC services. To truly realise the Australian Government's longer-term vision of universal access to ECEC as anticipated in the Early Years Strategy and the draft National Vision for ECEC, it will be necessary to consider structural, systemic reforms to ECEC policy beyond the ISP. Inclusion is simply too important and too broad of a goal to be associated with a single program.

Consideration should also be given to the alignment between the long-term opportunities identified in this review with those of the emerging review of the NDIS. While at an interim stage, that review has highlighted the lack of mainstream supports for children with disability in ECEC settings and highlighted the opportunities that a strengthened universal system of supports would have for all children.

Overview of this document

This report details the research, analysis and findings of the Review of the ISP. It is comprised of the following components.

- The Summary Report provides a high-level overview of the review’s findings and themes and sets out the identified opportunities for further consideration.
- The full report provides a comprehensive overview of the ISP review. It is comprised of three distinct parts:
 - Part A provides the background and context to the review. It describes the ISP, relevant Australian, state and territory initiatives, the review framework and methods, and details the underpinning evidence base that has informed the review.
 - Part B details the findings of the review against the key review questions of the Terms of Reference.
 - Part C describes the opportunities for change. It details 21 opportunities in the short and medium term and outlines five long-term opportunities to shape the ECEC sector as a whole. It concludes with implications for future program design and implementation of the changes detailed in the full report.
- The appendices to the report provide a detailed overview of the conceptual, research and consultative basis of the findings. The following are of particular relevance to this work.
 - Appendix A provides an overview of prior evaluations, reviews and summaries of the Inclusion Support Program
 - Appendix B provides a contextual overview of the Australian ECEC landscape and the implications for the Review
 - Appendix C describes the wider policy and legislative context, including how it relates to inclusion of key populations supported by the ISP
 - Appendix D describes international approaches to inclusive education in ECEC
 - Appendix E details the literature on strengthening capability and practice in inclusive education in ECEC settings.

Summary report

Ongoing access to high-quality early childhood education and care (ECEC) is a critical foundation for a child's life outcomes. It provides the building blocks for physical, social, emotional, and cognitive development. An extensive body of evidence demonstrates that intentional, play-based programs in early years settings can help to develop children's sense of identity and wellbeing, connection to their world and confidence in learning and communication skills.¹ These learning and development outcomes equip children with the essential tools for navigating school and the broader world in which they live, learn and grow.

Although a majority of Australian children are developmentally on track, there is a sizeable proportion of children who are falling behind. The Australian Early Development Census (AEDC), which measures how children's development is tracking when they start school, shows that, in 2021, nearly 45% of children were developmentally at risk or developmentally vulnerable across one or more domain.² This developmental vulnerability can compound over time, preventing children from realising their full potential.³

Australian governments have increasingly recognised the importance of ECEC as a powerful tool to address educational, socio-economic, health and broader inequities which affect children and families. By striving to ensure adequate and consistent access to high-quality ECEC, governments have sought to ensure policy settings are conducive to children achieving the best possible learning and development outcomes.

As a key element of the Child Care Safety Net, the Inclusion Support Program (ISP; or the Program) is an Australian Government program which provides resources to support services include children with additional needs to meaningfully participate in ECEC. The Program's stated objectives are to:

- support eligible mainstream ECEC services to improve their capacity and capability to provide quality inclusive practices for all children, to address access and participation barriers and to support the inclusion of children with additional needs
- provide parents or carers of children with additional needs with access to appropriate and inclusive ECEC services that assist those parents or carers to increase their activity including work, study and training.⁴

The Program is multi-faceted in its nature and is intended to provide flexible supports and resources to services in relation to their particular needs and context. Inclusion Agencies (IAs) are funded to provide tailored support to participating services through the use of qualified Inclusion Professionals (IPs), whose role is to engage with services to enable reflection and capacity building around inclusive practices and identifying the needs of children at the service. Funded supports provided through the program, such as the *Additional Educator Subsidy* and *Innovative Solutions Support*, are delivered through an application process overseen by the national Inclusion Development Fund Manager (IDFM).

¹ These learning outcomes are articulated in *Belonging, Being & Becoming: The Early Years Learning Framework for Australia*.

² Australian Government Department of Education, Skills and Employment, *Australian Early Development Census National Report 2021* (2022). The domains are physical health and wellbeing; social competence; emotional maturity; language and cognitive skills (school-based); and communication skills and general knowledge.

³ Department of Social Services, *The Early Years Strategy: Discussion Paper* (February 2023) <<https://engage.dss.gov.au/wp-content/uploads/2023/02/early-years-strategy-discussion-paper.pdf>>.

⁴ Australian Government Department of Education, *Inclusion Support Program Guidelines: Version 2.4* (September 2022) <<https://www.education.gov.au/child-care-package/resources/inclusion-support-program-guidelines>>.

Purpose of this review

Recognising the importance and potential of the Program, the Department identified the ISP as a review priority and commissioned Deloitte Access Economics in early 2023 to undertake the review. The purpose of the review has been to ensure the Program is meeting its policy intent and objectives, consistent with the Australian Government’s commitment to achieving the best possible outcomes for children and families accessing ECEC. This includes supporting the Australian Government’s commitment to reducing financial barriers to childcare and improving overall access to ECEC.⁵

This review considered the efficiency and effectiveness of the Program in its current form. Through its findings, it also identifies a number of short- and longer-term opportunities to support the inclusion of children with additional needs in early years settings.

In contemplating the opportunities for change, this review recognises the need for practical, implementable policy steps within the short-term, while also grounding medium- and longer-term opportunities in principles such as equity, social justice, evidence-based and research-informed inclusive practice, and strategic alignment with broader governmental priorities.

The policy backdrop

The review has been conducted against a backdrop of both demographic and policy changes. These dynamics have been central considerations in the formulation of the review findings and, most critically, the opportunities for reform – which must be durable and amenable to the potential outcomes of these drivers and processes.

Among the forces at play are:

- an observed increase in the prevalence of disability in children in recent years, partly due to an increased awareness of disability and also explained by improved diagnostic tools and processes
 - According to the Australian Bureau of Statistics (ABS), the prevalence of disability in Australian children was 3.7% for 0–4-year-olds and 9.6% for 5-14-year-olds in 2018.⁶ Further, in 2021, children aged 3 years and over with a need for assistance due to disability were less likely to be attending an educational institution than those without a need for assistance.⁷
- the increasing proportion of school-aged children who require educational adjustments. Based on the Nationally Consistent Collection of Data on School Students with Disability, this proportion has risen from 18% in 2015 to 22.5% in 2022⁸
- the future extension of the *Disability Standards for Education 2005* (DSE) to include ECEC. While services have until now been required to enrol and include children with additional needs as part of broader legislative and regulatory expectations, such as requirements under the *Disability Discrimination Act 1992* (DDA), the extension of the DSE to include early childhood settings marks a distinct shift towards aligning the ECEC sector with supports and inclusive environments offered in school settings
- findings currently being identified through the *NDIS Review* and government responses to recommendations delivered as part of the *Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability*

⁵ Australian Government Department of Education, *Inclusion Support Program (ISP) Review Detailed Statement of Work*.

⁶ Australian Bureau of Statistics (ABS) 2019, *Disability, Ageing and Carers, Australia: Summary of Findings, 2018*, <<https://www.abs.gov.au/AUSSTATS/abs@.nsf/Latestproducts/4430.0Main%20Features12018>>.

⁷ Australian Bureau of Statistics (ABS), *Profile of people with a core need for assistance in Australia* (July 2022) <<https://www.abs.gov.au/articles/profile-people-core-need-assistance-australia>>.

⁸ Australian Curriculum and Reporting Authority, *School Students with disability (2022)* <<https://www.acara.edu.au/reporting/national-report-on-schooling-in-australia/national-report-on-schooling-in-australia-data-Portal/school-students-with-disability>>.

- likely changes in the ECEC policy landscape that will flow from (1) ECEC strategy developments underway, including the draft National Vision for ECEC and the Early Years Strategy and (2) major reviews such as the Australian Competition and Consumer Commission Inquiry into ECEC prices, the Productivity Commission inquiry into ECEC and the review of the Community Child Care Fund Restricted Grant Program
 - While the precise outcomes of these inquiries and reviews will not be known for some time, the principles that will define Australia’s ECEC system of the future are becoming increasingly clear – affordability, access, quality, integration, and effective transitions.
- increasing market interventions and funding commitments by state and territory governments, in particular Queensland, NSW, Victoria and South Australia in early years settings. These market interventions are often in response to identified areas with limited child care supply, or as enabling policies to support broader state government education, health and economic priorities.

Overview of the underpinning evidence base

To ensure the review adopted a structured and comprehensive approach to research and analysis, an overarching review framework was developed. This framework sets out key review questions under four themes, as shown in Figure ii below.

Figure ii: Research questions for the ISP review

Theme 1: Policy and strategic alignment

Underlying focus: How the program’s objectives and intent align with other initiatives and broader government policy positions.

- To what extent is the ISP consistent with the Australian Government’s strategic policy objectives and key priorities?
- Are the original and current policy objectives still relevant?
- Do changes in the ECEC sector adequately support the policy objectives?
- Has ISP demand changed since the introduction of the program?
- What, if any, amendments to the objectives would enable a more effective response to ISP demand?
- How well does the ISP align and/or interact with other government programs targeting similar objectives, participants or activities?

Theme 2: Program design and effectiveness

Underlying focus: Considering the effectiveness of the program’s elements (including guidelines, policy settings, roles and responsibilities and supports delivered) in isolation, and also in comparison to alternative approaches and programs. This includes unintended consequences of current program implementation.

- Is the program design the most effective way to build the capacity and capability of ECEC to support the inclusion of children with additional needs?
- Are there emerging issues that might limit the achievement of intended outcomes? If so, what actions are being taken to address them?
- How do its outcomes compare with similar programs elsewhere, or with alternative ways of achieving the same outcomes

Theme 3: Resourcing and financial sustainability (efficiency)

Underlying focus: Understanding the resourcing needs of the program in line with delivered outcomes and current demand, as well as likely demand in the future ECEC sector.

- How, and to what extent does the program address changes in demand?
- Is the ISP adequately resourced to undertake its activities?

Theme 4: Future alignment

Underlying focus: Identifying opportunities for immediate administrative improvements, program improvement and redesign (based on findings from consultation and broader analysis) as well as alternative approaches to support children and respond to demand.

- What, if any, lessons can be drawn from the program to improve the efficiency or effectiveness of future programs?

Source: Deloitte Access Economics (2023)

The review findings are informed by:

- a desktop review of academic and grey literature, and broader Program-related documents relating to ECEC, inclusive education and broader policy design

- a national ECEC sector survey, receiving 1,963 valid responses from services from every Australian jurisdiction
- interviews with a range of stakeholders across government, peak bodies, and sector advocacy organisations
- focus group discussions with 59 ECEC services across Australia, including family day care (FDC) and outside school hours care (OSHC) services
- analysis of Program data relating to Program funding, as well as broader publicly available data around child demographics and vulnerability.

To ensure a culturally appropriate and responsive approach to consultation, focus groups with Aboriginal and Torres Strait Islander services were delivered in partnership with SNAICC.⁹ To ensure the confidentiality of these services, insights from these targeted sessions have been considered more broadly across the review's findings and captured as part of broader focus group feedback (see Box i).

Box i: Consultation partnership with SNAICC

To ensure that the review of the ISP included the voices of Aboriginal and Torres Strait Islander services, **Deloitte Access Economics** and **SNAICC** co-delivered several targeted focus group sessions, both in-person and online across three weeks in May 2023.

SNAICC's involvement in the consultation process for this review allowed the findings from this report to consider and respond to the needs and expectations of Aboriginal and Torres Strait Islander ECEC services. The research team for this review recognise the ongoing importance of self-determination and inclusion for First Nations peoples, including when considering future policy approaches around early years settings.

The Deloitte Access Economics team would like to thank SNAICC and all Aboriginal and Torres Strait Islander services who contributed their knowledge and experiences for this review.

Review findings

Broadly, this review found that stakeholders across providers, services, peak bodies and advocacy organisations are supportive of the ISP and its objectives and intent. The Program contributes, to some degree, in enabling equitable access to early years settings. Fundamentally the ISP is geared towards enhancing the capacity of ECEC services to deliver inclusive ECEC to all Australian children.

However, the Program is not optimised to achieve inclusion or develop service capability. There are significant challenges in relation to the Program's application process, documentation requirements and current resourcing (both levels and mechanisms). Current Program arrangements are not responsive to the needs of children at point of enrolment, and do not fully build the capacity and capability of early childhood educators and staff to support children with additional needs.

More importantly, while ISP is an important program and central to the Government's current efforts to ensure access to inclusive ECEC services, there is a case for a more system-wide approach to transform ECEC sector delivery, to ensure providers are incentivised, supported and equipped to build the capacity to support vulnerable children. There are a range of features of the broader ECEC system which could be calibrated to better support this longer-term goal.

The review sought to systematically and comprehensively address a series of research questions which, for the purposes of presenting the findings, have been organised under three themes. These are detailed below.

⁹ SNAICC is a national advocacy body representing the interests of Aboriginal and Torres Strait Islander children and their families.

Theme 1: Policy and strategic alignment

This domain of the ISP review – reported in Chapter 5 - examines the Program's place in the current ECEC policy landscape, and how the Program's objectives and intent align with other initiatives and broader government policy positions.

This domain considered five key questions:

- To what extent is the ISP consistent with the Australian Government's strategic policy objectives and key priorities?
- Are the original and current policy objectives still relevant?
- Has ISP demand changed since the introduction of the Program?
- What, if any, amendments to the objectives would enable a more effective response to ISP demand?
- How well does the ISP align and/or interact with other government programs targeting similar objectives, participants or activities?

Consideration of these questions, and relevant findings, are included below.

The ISP is consistent with the Australian Government's strategic policy objectives, however there are discrepancies across programs and an inadequate consideration of inclusion.

- **Finding 1:** There is a current misalignment between elements of the Inclusion Support Program and the Australian Government's strategic policy objectives and key priorities, in particular supports offered under the NDIS, expectations under the *Disability Standards for Education 2005*, and the aims of Early Years Strategy

There is clear support of the Program's objectives and intent, reflecting broad public support of inclusion and a desire to enhance ECEC capability to achieve this. However, opportunities have been identified to improve alignment of the Program's objectives with expectations for educational settings under the *Disability Standards for Education 2005* (DSE) and diagnostic criteria under the NDIS early childhood approach.

- **Finding 2:** Inclusion is not adequately discussed within current national ECEC policy dialogue, and a stronger focus on inclusion may be necessary to support universal access to ECEC in Australia

Inclusion is still seen by many as a "missing link" in the national ECEC policy discourse, with most of the attention dedicated to issues of affordability and workforce productivity. Recognising current work underway, there may be potential for this to be addressed as part of work between the Australian Government and state and territory governments through the National Vision for ECEC.

- **Finding 3:** Discrepancies between eligibility and program requirements across federal and state inclusion programs have resulted in increased complexity and administrative burdens for ECEC services operating across multiple policy jurisdictions.

Stakeholders identified inconsistencies between the ISP and other government programs, including state funded ECEC inclusion supports, funding under state school systems, and supports offered under the National Disability Insurance Scheme (NDIS). Despite governments and these programs sharing a similar intent of supporting the needs of children to participate in ECEC, a perceived lack of broader collaboration across government agencies and programs has resulted in unnecessary complexity and administrative burdens for services and families in navigating funding to support the inclusion of children with additional needs.

The original and current policy objectives remain relevant, however there is a higher focus on children with disability as part of the ISP

- **Finding 4:** Despite adopting the relatively broad definition of 'inclusion' from the EYLF and not prescribing a specific type of 'additional need', the Inclusion Support Program is broadly perceived by the sector as a disability funding program.

Evidence collected from program data suggests that while the Program is designed to address a broad cohort of children based on their unique context, a substantial proportion of supports delivered through the Program are being used to enable the inclusion of children with disability, particularly autistic children.

Key issues have been raised relating to how the terms 'inclusion', 'additional needs' and 'typically developing peers' are defined in the Program objectives and guidelines, and the limitations of the current program arrangements.

There has been a sustained and sizeable increase in demand for the Program

- **Finding 5:** There has been an overall increase in services accessing the ISP since 2016, including an average yearly increase of total payments of 11%.

Across multiple data sources and from multiple stakeholders, there appears to be a notable increase in demand for the Program.

- **Finding 6:** The IDFM and Inclusion Agencies have faced an overall increase in demand for inclusion support, due to increased number of services accessing the Program, a shift in the types of supports being provided to services, and broader/more complex supports requested by services.

Inclusion Agencies (IAs) noted increasing workloads through additional engagement with services. The increase in demand for this type of service has been suggested to be driven by both (a) an increase in SIPs which resulted in a greater awareness of local service needs and (b) services' requests for support around broader quality-focused elements of the NQF and guidance on service management outside the scope of the ISP.

- **Finding 7:** Services and Inclusion Agencies recorded increasing pressure regarding challenging behaviours as well as trauma-related behaviours, noting this growth post-COVID-19 pandemic.

Services have noted an increase in children displaying challenging and trauma-related behaviours, particularly in the aftermath of the COVID-19 pandemic.

The ISP is not adequately aligned with other government programs targeting similar objectives, participants and activities

- **Finding 8:** Eligibility requirements and support provided to children with disability and/or additional needs are inconsistent across different government programs that target similar objectives, participants and activities.

Stakeholders and services pointed to inconsistencies in support between the ISP and state ECEC and school funding models for inclusion, as well as limited consistency and complementarity between the ISP and supports provided under the NDIS.

- **Finding 9:** There are no identified data linkage arrangements between ECEC services and other government programs and initiatives supporting children experiencing vulnerability and/or additional needs.

Findings suggested that there are limited opportunities for sharing information about children attributable to ISP supports that are also accessing other government services (at a state and federal level). Feedback from stakeholders and services called for future models to be built through

a coordinated response between services, families, inclusion professionals and early intervention specialists to address children's comprehensive needs.

Theme 2: Program design and effectiveness

This domain of the ISP review – reported in Chapter 6 - examines the overall effectiveness of the Inclusion Support Program in achieving its stated objectives.

This domain considered three key questions.

- Is the Program design the most effective way to build the capacity and capability of ECEC to support the inclusion of children with additional needs?
- Are there emerging issues that might limit the achievement of intended outcomes? If so, what actions are being taken to address them?
- How do its outcomes compare with similar programs elsewhere, or with alternative ways of achieving the same outcomes?

Consideration of these questions, and relevant findings, are included below.

The ISP could be better structured to enable sustained capacity and capability development.

- **Finding 10:** Additional educators are effective in supporting the capacity of a service to include children with additional needs.

Stakeholders in ECEC services broadly expressed a sentiment that additional educators provide valuable all-round support for children and staff in services, as they are able ease the pressure on other staff and assist with the needs of children, raising the teacher-to-child ratio.

However, there is uncertainty regarding the degree to which additional educators are consistently being deployed in a way that enhances the inclusive education offering by services. While 53% of services felt that the ISP helped to develop staff skill and confidence in areas of inclusion, only 50% of survey respondents agreed or strongly agreed that educators and service staff have the required knowledge and skills to provide support for children with additional needs at their service.

- **Finding 11:** Increased engagement with Inclusion Professionals, allied health and other specialists would improve the effectiveness of the resources provided through ISP, and subsequently increase the capacity and capability of the sector workforce.

Services and broader stakeholders overwhelmingly called for increasing professional learning and development and training, increasing the amount of guidance and support offered by Inclusion Professionals (IPs) and opportunities to build 'wrap-around' supports with allied health and other early intervention professionals.

- **Finding 12:** The application process for additional educator funding is burdensome and requires a large investment of time by ECEC staff.

The application process for additional educators is perceived as unintuitive, excessively burdensome and too individually focused. Both the overall process as well as the platform (the ISP portal) consume a high degree of educator time, which detracts from the opportunity to develop inclusive practice or deliver services elsewhere.

A reliance on individualised supports, workforce challenges and a focus on diagnosis limit the achievement of intended outcomes.

Several emerging issues have been identified as part of the review which impact the overall achievement of the Program's intended outcomes.

The identified issues are multi-faceted, across administrative and systemic challenges relating to the ECEC sector, as well as societal factors impacting on the broader Australian workforce.

The shift towards individualised support for children with disability through the introduction of the NDIS has presented challenges in communicating the intent of the Program to families, as the ISP is focused primarily on building inclusive practices across the service.

- **Finding 13:** Increasing community expectations of individualised supports due to the introduction of the NDIS has impacted understanding of ISP objectives and intent.

It is suggested that workforce shortages and increased attrition due to burnout, expectation of educators to perform unpaid labour, an absence of pay parity between ECEC and the school education sectors, a lack of adequate programming and staff development time and low wages have resulted in a reduction in the availability of knowledgeable and experienced staff.

- **Finding 14:** Current workforce challenges in the sector, specifically issues in the attraction and retention of qualified early childhood educators, is a significant factor impacting the ability of services to include children with additional needs.

Consultation with educators in regional and remote settings has emphasised current barriers in accessing child health professionals due to workforce shortages in the healthcare sector. This is hindering families' ability to obtain necessary documentation for ISP funding, especially in remote areas.

- **Finding 15:** Broader workforce challenges affecting community and allied health sectors have acted as a barrier to diagnosis for some families, particularly in regional and remote locations.

The requirement for a formal diagnosis to determine ISP eligibility is excluding some children who may need adjustments but lack formal diagnoses, particularly in the wake of the COVID-19 pandemic.

- **Finding 16:** Reliance on diagnostic evidence to determine a child's inclusion needs creates barriers to access to the Program for service staff and families, and is inconsistent with a contemporary, functional-need based view of inclusion.

Features of successful programs in other jurisdictions include a greater focus on capability building and flexibility in resource use.

Broader analysis of similar programs and programs as part of this review identified alternative learnings that have the potential to improve future versions of the ISP.

- **Finding 17:** Aspects of programs from other jurisdictions and sectors which may improve outcomes relative to the ISP include a focus on sector capability, reducing administrative burden, greater flexibility in resource use, coordinated delivery of professional learning and development, and higher relative levels of resourcing.

Inclusion support programs adopted by the states and territories leave more flexibility in the hands of services and saw a relatively higher allocation of resourcing. Stakeholders also favour reinstating elements of the previous program (prior to 2016), in particular, professional learning and development as an approach to building the capacity and capability of ECEC staff to support children with additional needs.

Approaches to inclusion resourcing in ECEC sectors abroad, such as self-assessment processes in the Netherlands, provide valuable learnings around the importance of driving the reflective practice of educators through tools to track progress and development.

In Australia, experiences in the schooling sector through the introduction of the NCCD emphasise the importance of delivering coordinated resources and guidance to those face-to-face with children to ensure approaches to inclusion in educational settings are sustained, effective and are responsive to the needs and barriers faced by children and their families.

Theme 3: Resourcing and financial sustainability

This domain of the ISP review – reported in Chapter 7 - examines the nature of resourcing underpinning the ISP and considers its sustainability – both at a system and ECEC service level.

This domain considered two key questions.

- How, and to what extent does the Program address changes in demand?
- Is the ISP adequately resourced to undertake its activities?

Consideration of these questions, and relevant findings, are included below.

The ISP is distributing more funding to services with a higher level of need, and funding is growing over time.

- **Finding 18:** While both the Additional Educator Subsidy and Innovative Solutions Support funding have grown with rising demand, the current settings are not perceived to meet the demand that exists.

The analysis conducted as part of this review demonstrates that the ISP has shown the capacity to grow to meet demand.

At a centre level, when further children are enrolled, the total amount of 'additional educator' funding increases – and this has led to a sustained increase in additional educator subsidy being distributed through the program over time.

Stakeholders commonly reported that the ISP had not been responsive to their immediate demand for support for children with additional needs. The unit value of resourcing provided as part of the Additional Educator Subsidy had not changed since the program inception.

Other elements of the program have seen funding rates increase over time. The average amount of funding per case over time for Innovative Solutions Support has increased by nearly 400% between 2016-17 and 2020-21.

The ISP is not adequately resourced to support existing demand for additional capacity or capability development – and demand continues to grow.

Analysis of key research and academic literature on inclusion reveals that resourcing alone does not determine the effectiveness of an inclusive program. The literature recognises the importance of addressing staffing-related issues pertaining to knowledge of inclusive practices, as the use of an additional educator may inadvertently lead to isolation or experiences of segregation from other peers.

- **Finding 19:** The educator subsidy is perceived to be inadequate to support the required activities within the ISP.

Consultation with Inclusion Agencies, the IDFM, providers, peak bodies and services raised significant concerns regarding funding challenges facing the Program, in particular around the inadequacy of the \$23 per hour resourcing contribution for the additional educator. It has been acknowledged that this contribution had not increased since the inception of the Program in 2016.

- **Finding 20:** The financial settings of the Program do not effectively support capability building. The total funding associated with IAs and the IDFM is not considered to be sufficient given the size and complexity of the sector being supported.

Feedback regarding resourcing challenges faced by IAs and the IDFM are reflected in program data, showing a significant increase in the number of cases for funding under the ISP, despite no real increase in overall resourcing to the IAs and IDFMs in light of this increased demand. There is a short-term justification for increasing the funding allocated to the delivery of these services – which is detailed in Section 8.5.

There is a longer-term justification for reviewing the sufficiency and appropriateness of the ISP to support capability building across the sector more broadly – ideally in line with a tiered model of support.

- **Finding 21:** Data which is collected through the Program is not sufficient to support an understanding of changes in practice or outcomes resulting from the program investment.

Analysis of Program data in relation to overall funding allocated to services suggests that, *on average*, funding for services responds to demand, and grows linearly alongside enrolments under the Program. However, there is a high degree of variability in the average funding per child received across services. Further evidence is required to understand the activities supported through ISP funding, and the extent to which fixed funding on a per enrolment basis is appropriate.

In the longer-term, it is suggested that the Department take a strategic view to resourcing and seek to adapt or revise the Program so that it can proactively – and sustainably – build capability in ECEC services to deliver inclusion.

Identified opportunities for reform

To enable effective change based on the findings of this review, the identified opportunities have been categorised into indicative short-, medium-, and longer-term timeframes. This approach recognises some will take substantially longer to implement and require further consultation and more detailed policy design. At the same time, addressing short-term opportunities focused on Program adjustments is expected to reduce current barriers to the near-term achievement of the Program’s objectives, ensuring it functions as effectively as possible over the interim period.

It is proposed that the opportunities be considered as complementary elements of a cohesive and harmonious rationale for change, with many of the short-term opportunities (such as enabling Inclusion Agencies to deliver targeted professional development) giving rise to medium- and longer-term opportunities outlined below in Table i below (such as a longer-term, strategic approach to developing workforce capacity).

The short-term

In the short-term, this review has identified a number of opportunities to improve the effectiveness and efficiency of the ISP in line with the Program’s objectives and intent.

These opportunities focus primarily on the resourcing and administration of the current Program, with a particular focus on addressing barriers in relation to the application process and reported administrative burdens on services and families (see Table i below).

Table i: Short-term opportunities

Opportunity	Overview	Indicative timeframe
Strategic intent		
Opportunity 1	Further communicate the intent of program to providers, services and families through a targeted communication strategy	0-12 months
Opportunity 2	Strengthen and where necessary establish collaborative working channels between the Australian Government, states and territories and Inclusion Agencies (IAs) to identify and address barriers to inclusion across the ECEC system	0-12 months
Capability building		

Opportunity	Overview	Indicative timeframe
Opportunity 4	Explore the current capability and opportunities to expand the cultural awareness and knowledge of Inclusion Agencies to support Aboriginal and Torres Strait Islander services, including opportunities for identified Inclusion Professionals and/or funding a national First Nations-specific Inclusion Agency	12-18 months
Opportunity 5	Expand scope of Inclusion Agencies to deliver targeted professional learning and development in effective inclusive practice to services accessing the	12-18 months
Opportunity 6	Deliver coordinated national sector-wide inclusion resources and training through partnership between ACECQA and Inclusion Agencies	12-18 months
Opportunity 7	Make adjustments to the Inclusion Support Portal to increase access and useability, including enabling information in the SIP to be viewed on one page and limiting the number of different pages requiring to be accessed by the user	0-12 months
Needs-based support		
Opportunity 10	Review the suitability of diagnostic evidence requirements within the current program	0-12 months
Opportunity 11	Review the current eligibility and supports available to OSHC services in specialist settings	0-12 months
Opportunity 12	Review and adjust application requirements for OSHC services accessing the ISP, recognising their unique context compared to other centre-based ECEC services	12-18 months
Opportunity 13	Review the IDFM's internal approach to evaluating funding applications, including the use of language by services.	12-18 months
Effective resourcing		
Opportunity 15	Review the appropriateness of the FDC top-up subsidy and consider alternative funding arrangements and resources to increase FDC educators' capacity and capability	0-12 months
Opportunity 16	Consider an adjustment to the hourly rate for Additional Educator Subsidy, noting a lack of defined increase in funding since initial funding agreement in 2016	0-12 months
Opportunity 17	Increase funding to the IDFM, at minimum in line with Consumer Price Index (CPI) since 2016, to enable increased resourcing to reduce application times	0-12 months
Opportunity 18	Increase funding to Inclusion Agencies, at minimum in line with Consumer Price Index (CPI) since 2016, to enable increased engagement of Inclusion Professionals	0-12 months

The medium-term

Recognising the importance of inclusive practices and environments to ensure all children's access to high-quality ECEC, the review has identified a number of medium-term opportunities for the Department to consider.

These opportunities focus primarily on coordinating discourse about inclusion guidance, resources and supports at a national level, as well as supporting services to deliver flexible approaches to inclusion outside of the current scope of the Program (see Table ii).

Table ii: Medium-term opportunities

Opportunity	Description	Timeframe
Strategic intent		
Opportunity 3	Establish national policy commitment and intent behind supporting inclusion in ECEC (i.e., the “enabling context”).	12-18 months
Capability building		
Opportunity 8	Review the ongoing appropriateness of Innovative Solutions Support funding following delivery of sector-wide and targeted professional learning and development by ACECQA and Inclusion Agencies.	12-24 months
Opportunity 9	Revise the Strategic Inclusion Plan (SIP) to emphasise a stronger focus on pre-emptive inclusion strategies (prior to adjustments required)	18-24 months
Needs-based support		
Opportunity 14	Revise initial documentation requirements to increase time responsiveness of funding	12-24 months
Effective resourcing		
Opportunity 19	In particular circumstances, consider expanding the Additional Educator Subsidy to include other inclusion professionals, such as bicultural workers, community workers and other relevant professionals	12-24 months
Opportunity 20	Solidify and communicate a tiered approach to funding inclusion supports for ECEC services	12-24 months
Opportunity 21	Establish an additional funding grant to enable services to deliver inclusive resources and environments prior to a child enrolling at the service	12-24 months

The long term

Applying a broader lens to the objectives of the Program has given rise to a series of longer-term, more fundamental proposals for reform. These proposals have been informed by the evidence tabled throughout this review – particularly the evidence assembled from leading practice in other systems and jurisdictions.

They recognise the diversity of services and communities across Australia, the diversity of needs and adjustments required by children, and the broader need for a responsive national system for early intervention and supports in early childhood settings:

- **Long-term opportunity 1:** Pilot collaborative, ‘wrap-around’ approaches to inclusion supports in ECEC services for broader adoption
- **Long-term opportunity 2:** Establish a needs-based funding model for ECEC services.
- **Long-term opportunity 3:** Establish an accountability and monitoring framework to support the identification of and progress towards outcomes in inclusive ECEC
- **Long-term opportunity 4:** Adopt a data-driven approach to support the identification and funding of inclusion supports and early intervention services in early years
- **Long-term opportunity 5:** Implement a strategic approach to developing workforce capability in support of inclusion across the ECEC sector

Further detail around each of the long-term opportunities above has been included in Chapter 9 of this report.

Enabling successful implementation

A number of factors will be critical to the process of taking forward the opportunities identified in this review. Further consultation and testing will be required to validate the detailed specifications of any reform proposals and support implementation planning.

As part of this, the Department should consider how it can further integrate the voice of services and families. This may involve consulting with families of children with disability and additional needs when considering the details surrounding the implementation of identified opportunities or establishing shared decision-making approaches with Aboriginal and Torres Strait Islander services through a co-design approach.

In considering the findings and opportunities outlined in this report, the broader challenges currently facing the Australian ECEC sector must be recognised, including workforce challenges, service supply challenges in particular regions, financial viability challenges for providers, broader societal factors impacting equity and inclusion, and the ongoing impacts of COVID-19 on children, families, services and, in particular, the early childhood workforce. These challenges should not unduly constrain the ambitions for the future of the ISP. But they should be prominent considerations in implementation planning and in contemplating the policy conditions that must be in place in supporting realms (e.g., workforce strategy).

Other factors relevant to effective implementation include:

- adopting an integrated and multidisciplinary approach to policy design
- aligning the Program with other early years policies, strategies and commitments
- undertaking meaningful collaboration between the Australian Government, state/territory governments and stakeholders
- incorporating the latest research on how to improve inclusion in ECEC
- considering the budgetary and financial implications of the opportunities
- determining appropriate governance, oversight and monitoring structures
- developing transition arrangements.

The path forward

In commissioning this review, the Government has clearly signalled its intent to maximise the potential of the Program, driven by its broader commitments to achieving the best possible outcomes for children and families accessing ECEC, reducing the financial barriers of child care and improving overall access to and participation in high-quality ECEC programs.

The dynamics of the broader ECEC and disability environment further underscore the importance of achieving this aspiration. The prevalence of disability among children, the future extension of the DSE to include ECE, and likely policy changes that will flow from major ECEC inquiries underway all reinforce the opportunity that the sector, the system and Australia's children have before them.

By pursuing the opportunities identified through this review, the Australian Government can ensure more effective support to ECEC educators and services, improved outcomes for children and families, ongoing sustainability of the Program, and more inclusive practice across every element of the Australian ECEC system. The benefits of these changes stand to be both significant and enduring.

Not all of these opportunities can feasibly be delivered in the near term. However, where short-term improvements are achievable, implementing these will not only deliver immediate benefits to children, families and educators, but will help build momentum in achieving the longer-term vision of the Program. This momentum could ultimately lead to a system of knowledgeable, inclusive and effectively resourced mainstream ECEC services that are equipped to provide every child with the best possible start in life, no matter their circumstances.

ISP Review Report

Part A: Background and context

1 Introduction

In early 2023, the Australian Government Department of Education commissioned Deloitte Access Economics to undertake a review of the Inclusion Support Program (ISP) to ensure that the Program is current, fit-for-purpose, and meeting the needs and expectations of services, families and children.

1.1 The Inclusion Support Program

The ISP is an Australian Government initiative, introduced in 2015 as a key component of the Australian Government Child Care Safety Net.

The Child Care Safety Net, introduced under the Abbott Government in 2015, consisted of three components – the Community Child Care Fund (CCCF), the Additional Child Care Subsidy (ACCS) and the Inclusion Support Program (ISP)¹⁰. The primary goal of the ISP is to assist eligible mainstream early childhood education and care (ECEC) services to better include children with additional needs, ensuring all children have equal access to resources and the chance to demonstrate their learning.¹¹

Support delivered to services through the Program primarily comes from Inclusion Agencies (IAs), who provide ongoing resources and day-to-day support to services to build their capacity to include children with additional needs. A portion of the Program's funding, the 'Inclusion Development Fund (IDF) Subsidy' for an Additional Educator as well as the 'Family Day Care (FDC) Top Up', is specifically allocated to support the ongoing inclusion of a child with identified additional needs.

Through participating in the ISP, it is intended that eligible ECEC services build their overall capacity and capability to include children with additional needs in line with outcomes intended under the Approved Learning Frameworks: the 'Early Years Learning Framework (EYLF)' for early years programs, and 'My Time, Our Place' for outside school hours care (OSHC) and school-aged vacation care services.

Further information about the Inclusion Support Program, including a historical overview of the Program and its iterations since 2016, is included in Chapter 2 of this report.

1.2 Purpose and scope of the ISP review

According to the initial research brief provided by the Australian Government Department of Education (the Department), the purpose of the ISP review is to ensure the Program meets its policy intent and objectives and is consistent with the Government's commitment to achieving the best possible outcomes for children and families accessing ECEC.

In considering the weight of evidence collected and analysed as part of this review, Deloitte Access Economics was asked to examine the performance of the ISP against the criteria of effectiveness, efficiency, and strategic policy alignment. In its findings, the research team was asked to identify opportunities for change to further support the objectives and intent of the Program.

As discussed further in Chapter 4, the scope of the ISP review is relatively broad, considering both the Program in its current arrangements, as well as broader opportunities to support inclusion in the Australian ECEC sector.

¹⁰ Australian Government Department of Social Services, *Abbott Government delivers child care safety net for disadvantaged families* (May 2015) <<https://formerministers.dss.gov.au/15862/abbott-government-delivers-child-care-safety-net-for-disadvantaged-families/>>

¹¹ Australian Government Department of Education, *Inclusion Support Program Guidelines: Version 2.4* (September 2022) <<https://www.education.gov.au/child-care-package/resources/inclusion-support-program-guidelines>>.

The broad phases of the review are outlined in Figure 1.1.

Figure 1.1: ISP review phases

	Stage 1: Project planning	Stage 2a: Research, analysis and engagement	Stage 2b: Developing findings and implementation advice	Stage 3: Final report and presentation
ACTIVITIES	Project commencement and planning including: <ul style="list-style-type: none"> Background analysis of existing research and program Creation of review framework and tools Developing approach to consultation with stakeholders and ECEC services 	Investigating and gathering information, analysing literature, data and findings, and actively collaborating with stakeholders including: <ul style="list-style-type: none"> Program data analysis Stakeholder engagement (in partnership with SNAICC) ECEC service provider consultations and surveys 	Conducting a comprehensive analysis according to analytical framework, identifying strengths and areas for improvement, and formulating actionable recommendations including: <ul style="list-style-type: none"> Synthesis of findings Emerging findings workshop Drafting interim report Structuring final report 	Synthesizing and analysing all gathered data, summarizing key findings, developing comprehensive recommendations including: <ul style="list-style-type: none"> Finalising report Presenting and communicating
OUTPUTS	<ul style="list-style-type: none"> Inception meeting Project plan Schedule status meetings Communication and stakeholder management strategy 	<ul style="list-style-type: none"> Literature review including consideration of prior reviews Stakeholder consultation summary Survey findings summary Summary of findings from data analysis 	<ul style="list-style-type: none"> Proposed policy settings, including revisions to ISP and new possibilities Proposed implementation timeframe Interim report Draft final report 	<ul style="list-style-type: none"> Final report Publishable version of final report (if needed) Presentations
TIMING	<ul style="list-style-type: none"> Feb 2023 – March 2023 	<ul style="list-style-type: none"> March 2023 – May 2023 	<ul style="list-style-type: none"> May 2023 – June 2023 	<ul style="list-style-type: none"> June 2023 – July 2023

Source: Deloitte Access Economics (2023).

This report draws on primary and secondary data collected throughout the review. This includes:

- **an online survey of Child Care Subsidy (CCS)-eligible services**, with 1,963 responses used in the analysis
- **focus groups with ECEC services**, with 59 services across Australia participating in the focus groups, including consultation with several Aboriginal and Torres Strait Islander services in partnership with *SNAICC – National Voice for Our Children*.
- **semi-structured online interviews with Departments, peak bodies and advocacy organisations**, encompassing 44 organisations
- **relevant ISP and CCS data**
- **previous Program reviews and evaluations**, of both the ISP and other government programs targeting ECEC inclusion and participation
- **literature on inclusive practices in the early childhood sector.**

Further information about the underpinning evidence base, including an overview of types and representation the services consulted as part of this review, is provided in Chapter 5.

1.3 The structure of this report

The purpose of this report is to provide a comprehensive overview of ISP review findings and opportunities for change, drawing on the assembled evidence and based on the application of the review framework.

The report is structured as follows:

- **Part A** of the report details the background of the ISP and context to the review:
 - **Chapter 2** provides an overview of the Inclusion Support Program, including its objectives and main features
 - **Chapter 3** sets out the review framework, including the research questions, key definitions and an overview of the research design
 - **Chapter 4** presents the underpinning evidence base, including an overview of the extent and quality of primary and secondary data collated during the review.
- **Part B** of the report details the findings of the review:
 - **Chapter 5** sets out the review findings on policy and strategic alignment
 - **Chapter 6** sets out the review findings on program design and effectiveness
 - **Chapter 7** sets out the review findings on resourcing and financial sustainability.

- **Part C** of the report presents opportunities for consideration and guidance on further implementation:
 - **Chapter 8** presents the opportunities for change that have emerged through the review
 - **Chapter 9** considers the implications for future program design flowing from the review findings and identified opportunities for change.

2 Overview of the Inclusion Support Program

The Inclusion Support Program provides support for eligible mainstream ECEC services to build their capacity and capability to include children with additional needs, so that all children have the opportunity to access and meaningfully participate in a high-quality ECEC program with their peers, leading to positive learning and developmental outcomes.

The ISP is not a disability-specific program as such, but rather one which prioritises the support of children with additional needs.¹² This may include children with disability, but also includes a broader range of support needs. The ISP Guidelines state that children with additional needs include children who:

- have a disability or developmental delay
- present with challenging behaviours
- have a serious medical or health condition, including mental health conditions
- present with trauma-related behaviours.

Other children may require specific considerations or adjustments to participate fully in ECEC services and experience positive outcomes, such as:

- Aboriginal and Torres Strait Islander children
- children from culturally and linguistically diverse backgrounds
- children from a refugee or humanitarian background.

Within its broad remit, the Program assists services to implement high-quality, inclusive and equitable practice under the National Quality Framework (NQF), in accordance with the National Quality Standard (NQS) and the Approved Learning Frameworks.¹³

2.1 Program objectives

According to the Program guidelines, the **objectives of the ISP** are to:¹⁴

- support eligible mainstream ECEC services to improve their capacity and capability to provide quality inclusive practices for all children, to address access and participation barriers and to support the inclusion of children with additional needs, with their typically developing peers
- provide families of children with additional needs with access to appropriate and inclusive ECEC services that assist those families to increase their activity including work, study and training.

The **guiding principles** that underpin the Program are:¹⁵

- **Access:** eligible services, regardless of their geographic location or service type, have equitable access to support from the Program to include children with additional needs
- **Participation:** the Program supports the active and meaningful participation of all children, including children with additional needs, in eligible mainstream services

¹² Commonwealth of Australia, *The Senate Select Committee on Work and Care: Final Report* (March 2023) <https://www.apf.gov.au/Parliamentary_Business/Committees/Senate/Work_and_Care/workandcare/Report>.

¹³ Ibid.

¹⁴ Australian Government Department of Education, *Inclusion Support Program Guidelines: Version 2.4* (September 2022) <<https://www.education.gov.au/child-care-package/resources/inclusion-support-program-guidelines>>.

¹⁵ Ibid.

- **Strengths-based approach:** the existing capacity and capability of eligible services as well as children's strengths, skills and knowledge will be the starting point for determining the type and intensity of inclusion assistance and support required
- **Child-centric:** the Program focuses primarily on the inclusion of children with additional needs. The goal is to provide opportunities for children to learn and develop alongside their typically developing peers (acknowledging the context of the child's development, the service's emerging capacity and capability and that families have a prior right to choose the kind of education that shall be given to their children)
- **National consistency:** across the nation, the Program is delivered in an efficient, flexible, culturally appropriate, and timely manner and is tailored to meet the inclusion needs of eligible services and the children participating in those services (outlined in the NQF and elements of the NQS)
- **Integrated approach:** ISP contractors will work collaboratively with each other, State Regulators, the Australian Children's Education and Care Quality Authority (ACECQA) and other community and service providers, for example National Disability Insurance Scheme (NDIS) Early Childhood Early Intervention (ECEI) Partners, In Home Care Support Agencies and Settlement Service providers to support an integrated approach to service delivery that respects diversity and inclusion
- **Continuous capability development and resilience:** services receiving support through the Program will endeavour to work towards high-quality and responsive practices and commit to continuously improving their inclusive practice by encouraging and adopting innovative, tailored, flexible and creative solutions to inclusive practice in their service and sharing best practice inclusion information with other services in the sector
- **Workforce participation:** the Program recognises and supports families of children with additional needs to participate in the workforce and/or recognised activities (including study and training).¹⁶

The **desired outcomes** of the Program include:¹⁷

- services have embedded inclusive practices in their service delivery model and, over time, have increased their capacity and capability to include children with additional needs and have reduced reliance on support from the Program
- children with additional needs have an increased representation in mainstream services, commensurate with their representation in the overall population
- families of children with additional needs have better access to and are aware of appropriate and inclusive services that support their workforce, study, or training choices.

The success of the Program in terms of supporting children with additional needs and their families is measured through:¹⁸

- an increased number and participation of children with additional needs accessing services
- increased awareness of inclusion support services available for families of children with additional needs
- increased usage (hours) of care as a measure for families' increased engagement with the workforce, study or training.

The measures of success in relation to services include:¹⁹

- an increased number of services embedding inclusion strategies and practices (i.e., an increased number of services with a Strategic Inclusion Plan)

¹⁶ Australian Government Department of Education, *Inclusion Support Program Guidelines: Version 2.4* (September 2022) <<https://www.education.gov.au/child-care-package/resources/inclusion-support-program-guidelines>>.

¹⁷ Ibid.

¹⁸ Ibid.

¹⁹ Ibid.

- an increase in knowledge, skills, and confidence of educators in implementing inclusive strategies and practices (i.e., an increased capacity and capability to include children with additional needs)
- greater awareness among services about support provided by Inclusion Agencies
- an increased number of services receiving support from Inclusion Agencies
- improved assessment and rating for the elements relating to inclusion in the NQS.

2.2 Program eligibility

To receive support under the ISP, an ECEC service must be a CCS-approved ECEC service in Australia including centre-based day care (CBDC), family day care (FDC) and outside school hours care (OSHC) services.²⁰

Furthermore, the ISP guidelines note that the child (or children) of which the service is seeking to include through support from the Program must be eligible for the Child Care Subsidy.

In relation to accessing funding under the Inclusion Development Fund (IDF), a service must have a child enrolled who has been identified as having additional needs requiring extra support to fully participate in the ECEC program. This may include children with disability, developmental delay, serious medical or health conditions (including mental health), challenging behaviours or trauma-related behaviours. The ISP aims to meet the needs and requirements of Aboriginal and Torres Strait Islander children, children from culturally and linguistically diverse backgrounds, children from refugee or humanitarian backgrounds, and those requiring specific cultural support.²¹

Eligibility for funding through the IDF is assessed on a case-by-case basis. Additionally, there are specific funding caps and limits for varying financial supports delivered through the IDF.²² To receive ongoing support and funding under the Program, services must meet reporting and documentation requirements outlined in the ISP Guidelines.²³

Box 2.1: Prevalence of disability in Australian children and young people

Prevalence is a measure of the proportion of individuals in a specific population having a particular condition or characteristic at a particular timepoint or over a specified period of time. A prevalence estimate is commonly used in various fields including public health and epidemiology to quantify the frequency or extent of a condition within a defined population. It can also be a useful measure when considering how best to provide supports for children with disability and additional needs in education and care settings.

The prevalence of disability in children has risen globally over the past few decades, which may be due to a combination of factors including an increased awareness of disability, improved diagnostic tools and changes in diagnostic criteria. Data sources used to derive the prevalence of disability in school-aged children in Australia vary in their nature which makes comparability across studies difficult. For example:

- some studies use self-report surveys, some use teacher-report surveys and others use confirmed clinical diagnoses recorded in administrative datasets
- each study uses different surveillance years
- each study refers to different age ranges.

In addition, most data sources are limited by their currency with time lags of several years. This is a key limitation given the trend of rising prevalence rates. Data from the Australian Bureau of Statistics

²⁰ Australian Government, Department of Education, *Inclusion Support Program Guidelines v2.4 – Section 3* (September 2022) <<https://www.education.gov.au/download/2994/inclusion-support-program-guidelines/30348/document/pdf>>.

²¹ Ibid.

²² Ibid.

²³ Ibid.

(ABS) and the Nationally Consistent Collection of Data on School Students with Disability (NCCD) are commonly used when citing the prevalence of disability in Australian children. They both differ in their methodology and definition when identifying and recording children with disability.

Organisations across Australia such as Australian Curriculum, Assessment and Reporting Authority (ACARA), Australian Institute of Health and Welfare (AIHW) and Australian Institute for Teaching and School Leadership Limited (AITSL) use ABS and NCCD data when citing the prevalence of disability in Australian children.

The NCCD uses the definition of disability from the *Disability Discrimination Act 1992* (DDA) and the *Disability Standards for Education 2005* (DSE). Teachers and schools use their professional judgement to record and identify children with disability who require educational adjustments. The ABS uses the following as a definition for disability 'any limitation, restriction or impairment which restricts everyday activities and has lasted, or is likely to last, for at least six months'. The nature of the different methodologies used for the purposes of the NCCD and the ABS produce different estimates for the prevalence of disability in Australian children and young people.

The prevalence of disability in Australian children was 3.7% for 0–4-year-olds and 9.6% for 5-14-year-olds in 2018, as recorded by the ABS.²⁴ However, according to the ABS, in 2021 1.4% of children aged 0-4 had a core need for assistance. This increased from 1.1% in 2016. The number of children with a core need for assistance increased to 4.4% in the 5-14 years age group in 2021. Further, in 2021 those aged 3 years and over with a need for assistance were less likely to be attending an educational institution than those without a need for assistance (14.9% compared with 27.5%).²⁵

NCCD data indicates that 22.5% of school-aged students required educational adjustments in the 2022 data collection period due to the functional impact of disability.²⁶ Since the formal inception of NCCD as a data collection process in 2015, this figure has risen steadily from 18%. Of the 22.5% of students recorded in the 2022 collection, 15.4% required adjustments that were at least at the supplementary level (7.1% received adjustments within quality differentiated teaching practice). These figures suggest that some estimates of the number of children with disability may under-represent the demands placed on education providers to support children with additional needs. Given the NCCD collection includes students who may have an imputed disability in accordance with the DDA and DSE, these figures may be helpful in providing guidance on the number of children who may require additional support when enrolling in and attending ECEC services, particularly those who may not have a formal diagnosis of a disability.

The prevalence of disability among children varies between sources and therefore trends in prevalence are difficult to determine. However, the percentage of children requiring supports to access and participate in education on the same basis as other students tends to be higher than the overall prevalence observed in the scientific literature. This is likely to be explained by the approach to providing support based on the professional judgements of teachers and schools. This approach recognises the functional impact of all disabilities and learning difficulties, including mental health, trauma, complex behaviours and complex medical and health care needs.²⁷ What is important to note is that the number of school-aged children requiring educational adjustments due to disability has increased over time, therefore it is probable that the demand for support through a program

²⁴ Australian Bureau of Statistics (ABS), *Disability, Ageing and Carers, Australia: Summary of Findings, 2018* (2019) <<https://www.abs.gov.au/AUSSTATS/abs@.nsf/Latestproducts/4430.0Main%20Features12018>>.

²⁵ Australian Bureau of Statistics (ABS), *Profile of people with a core need for assistance in Australia* (July 2022) <<https://www.abs.gov.au/articles/profile-people-core-need-assistance-australia>>.

²⁶ Australian Curriculum, Assessment and Reporting Authority (ACARA), *School students with disability* (2022) <<https://www.acara.edu.au/reporting/national-report-on-schooling-in-australia/national-report-on-schooling-in-australia-data-Portal/school-students-with-disability>>.

²⁷ Alana Sincovich et al, *Review of trends in disabilities among children and adolescents* (Department of Education, South Australia, Fraser Mustard Centre and Telethon Kids Institute, December 2020) <<https://www.education.sa.gov.au/docs/system-performance/fraser-mustard-centre/trends-in-disabilities-among-children-and-adolescents-final-report.pdf>>.

such as the ISP for children with disability is also likely to have increased over time in a similar fashion.

2.3 Key stakeholders

Inclusion Agencies and the IDFM provide tailored support to eligible ECEC services to help them improve their capacity to include and support children with additional needs. These resources and supports include specialist support, coaching and mentoring, resources and tools to drive inclusive and reflective practice in services. The following section provides a brief overview of the roles undertaken by the Department, the Inclusion Agencies and the IDFM.

2.3.1 Australian Government Department of Education

The Department of Education is responsible for the governance and funding of the Program as part of its role in funding the Child Care Safety Net and the broader Child Care Subsidy.

More specifically, governance of the Program is primarily managed through the Department of Education's Access and Inclusion Branch, including:

- managing ongoing relationships with the Inclusion Development Fund Manager (IDFM) and the Inclusion Agencies (IAs)
- reviewing the performance of the IDFM and the IAs on an annual basis through performance against key performance indicators (KPIs) submitted as part of annual reporting
- coordinating engagement between the Inclusion Agencies and the IDFM to enable a national approach to delivering the Program
- management of tender arrangements and subsequent contractual agreements with the Inclusion Agencies and the IDFM
- reviewing and approving applications for Collaborative and Strategic Projects to promote high-level innovation and support for inclusive practice
- strategic policy advice to the Department in relation to the Program.

Recognising the interruptions to the sector in light of the COVID-19 pandemic, as well as a number of changes to the ISP guidelines over the years, the Department's ISP team has also undertaken targeted actions to address identified challenges as they have risen, including:

- coordinating adjustments to the Inclusion Support Portal following feedback from the sector in recent years
- navigating additional funding agreements with Inclusion Agencies and the IDFM, noting identified resourcing pressures faced by the organisations due to implied increases in demand by services.

2.3.2 Inclusion Agencies (IAs)

The Australian Government provides funding for seven Inclusion Agencies across eight states and territories to support eligible ECEC services build their capacity and capability in inclusive practice and overcome barriers to inclusion for children with additional needs.

Inclusion Agencies establish a network of Inclusion Professionals to provide tailored, one-on-one support to services in their jurisdiction. This support is intended to be responsive and reflective of the needs and context of the services and children they support. Inclusion Agencies offer several types of assistance, such as site visits, advice on inclusive practice, help to develop a Strategic Inclusion Plan, advice around navigating the IS Portal and facilitating access to the Specialist Equipment Library. They may also use technology to deliver inclusion support to services.

ECEC services in Australia seeking support from Inclusion Agencies can self-refer directly via phone or email. Inclusion Agencies are also expected to engage with the broader ECEC sector and

community, particularly with services that may not be aware of the support available under the Program or those serving communities with higher concentrations of children with additional needs.

2.3.3 Inclusion Development Fund Manager (IDFM)

The IDFM is primarily responsible for managing the Inclusion Development Fund and ensuring equitable access to eligible ECEC services. This includes assessing and determining the outcome of all IDF applications against the eligibility criteria, notifying services of the outcome within specific timeframes, and responding to enquiries. The IDF Manager is responsible for ensuring a nationally consistent application of the guidelines and facilitating equitable access to IDF assistance. Payment is made directly to the service by the department after a claims process or acceptance of a Letter of Offer for Innovative Solutions Support.²⁸

2.4 Program resources and supports

Through engaging with IAs and the IDFM, services can access a range of supports under the ISP to build the capacity and capability of their service to include children with additional needs.

In addition to ongoing day-to-day support and mentoring from Inclusion Professionals (IPs) employed by the Inclusion Agencies, additional supports offered under the Program are outlined below.

2.4.1 Access to the Specialist Equipment Library

Inclusion Agencies manage Specialist Equipment Libraries that allow eligible ECEC services in their jurisdiction to loan specialist equipment to facilitate the inclusion of children with additional needs. These libraries are relatively large and include a diverse range of equipment, such as portable ramps, standing frames, hoists, specialised inclusion toys, communication aids, and linguistic and cultural resources for the inclusion of First Nations and culturally and linguistically diverse children.

However, it is important to note that some, more specialised equipment such as hearing aids, therapist tables, and equipment provided under the National Disability Insurance Scheme (NDIS) are not provided through these libraries.

2.4.2 Inclusion Development Fund (IDF)

The IDF provides funding to eligible ECEC services to help overcome barriers to inclusion that cannot be resolved by support provided by Inclusion Professionals or access to the Specialist Equipment Library. There are four funding streams available under the IDF, each with their own eligibility criteria and approved purposes:

- 1 IDF Subsidy for Immediate/Time-Limited Support** provides financial assistance for the short-term employment of an additional educator to support the inclusion of a child with high support needs while a more sustainable solution is being determined. The subsidy is available for services to support children with additional needs, including those with or without a disability diagnosis. It is not for providing specialised support to an individual child but to support the service to enable a child's inclusion within the care environment. The funding can be used to address immediate barriers to a child's inclusion, helping the service to ensure a successful and safe transition for a child to the most appropriate care environment while catering to the needs of all children.²⁹
- 2 IDF Subsidy for an Additional Educator** is a funding contribution that helps subsidise the longer-term employment of an additional educator to support the inclusion of a child (or children) with high ongoing support needs. It is available to support the inclusion of children with a disability diagnosis or additional needs, including those awaiting a disability diagnosis or with a current and ongoing assessment for disability diagnosis. As a capped funding

²⁸ Australian Government, Department of Education, *Inclusion Support Program Guidelines v2.4* (September 2022) <<https://www.education.gov.au/download/2994/inclusion-support-program-guidelines/30348/document/pdf>>.

²⁹ Ibid.

contribution, the ISP Guidelines note that funding would be prioritised towards the following child cohorts in the event that demand within a program year exceeded the available annual budget of the Program. While this has not yet eventuated, funding would be prioritised for services with an identified child or children with a diagnosed disability, followed by services caring for children awaiting a disability diagnosis, and then services caring for children with other additional needs. Additional educators work as a team with other educators to meet the needs of all children within the care environment, and do not provide individual (one-to-one) support for a child who has additional needs.³⁰

3 IDF Subsidy for FDC Top Up provides additional funding to eligible FDC services to include children with ongoing high support needs. The funding is intended to cover the loss of income for the service due to being unable to enrol the maximum number of children allowed under the National Law and Regulations.³¹ This is due to the implied additional support required to educate and care for a child with a disability or additional needs. To access funding, the FDC service must be seeking to enrol and provide education and care to child (or children) with disability and additional needs.³²

4 IDF Innovative Solutions Support is a funding stream that aims to provide flexible funding to eligible ECEC services and other relevant organisations to support flexible, innovative, and responsive solutions to inclusion barriers. It is available for ECEC services and other organisations when the support provided by the service's Inclusion Agency cannot address the identified barriers to inclusion. The funding stream is not designed to subsidise the employment of an additional educator. The funding can be used for various purposes, including cultural advice and mentoring, bilingual support, collaboration with specialists, specialised inclusion training, networking, and community engagement. The IDF Innovative Solutions Support aims to provide services with the opportunity to take an active role in finding solutions, which intrinsically builds inclusion capacity and capability.³³

Delivered through the IDF's *Innovative Supports Support* funding stream, **Collaborative and Strategic Projects** allows relevant organisations including ECEC peak bodies, inclusion specialists and broader disability organisations to request funding to deliver priority projects to support inclusion in ECEC settings at a national level.

These Collaborative and Strategic Projects are intended to promote high-level innovation in relation to building inclusive practices in services and are intended to be approved on a case-by-case basis. These projects may be substantial in terms of required resourcing compared to Innovative (flexible and responsive) projects delivered through Innovative Solutions Support, with no specified limit in terms of funding.

However, while other projects under the Innovative Solutions Support stream can be assessed and approved by the IDFM, funding for Collaborative and Strategic Projects must be approved by the Department. To ensure that funding for these projects is used appropriately and in line with the intent of the broader Program, the Department adopts the Innovative Solutions Supports Assessment criteria to evaluate proposals for funding.³⁴ To receive funding under this stream, relevant organisations must submit a proposal to the Department outlining a budget and project

³⁰ Australian Government, Department of Education, *Inclusion Support Program Guidelines v2.4* (September 2022) <<https://www.education.gov.au/download/2994/inclusion-support-program-guidelines/30348/document/pdf>>.

³¹ ACECQA, *Educator to child ratios* (July 2023) <<https://www.acecqa.gov.au/nqf/educator-to-child-ratios>>

³² Australian Government, Department of Education, *Inclusion Support Program Guidelines v2.4* (September 2022) <<https://www.education.gov.au/download/2994/inclusion-support-program-guidelines/30348/document/pdf>>.

³³ Ibid.

³⁴ Australian Government, Department of Education, *Innovative Solutions Support* (August 2020) <<https://www.education.gov.au/download/5062/inclusion-support-program-innovative-solutions-support/28993/document/docx>>.

plan. Inclusion Agencies and the IDFM may be consulted as part of the Department’s decision-making.³⁵

Box 2.2: Collaborative and Strategic Project – ‘Accelerating Autism Knowledge and Capacity for Educators’^{36, 37}

Description: This Collaborative and Strategic Project was delivered by the Autism Association of Western Australia in partnership with the WA Inclusion Agency.

Through working with early childhood education and care (ECEC) services from June 2021 to December 2022, this project aimed to boost the skills, understanding and overall capacity of mainstream ECEC services to include autistic children.

Project activities: As part of this project, 12 ‘intensive Autism training and support’ packages were delivered across Western Australia, providing training and support to 180 early childhood educators across 72 ECEC services.

The follow up sessions, titled ‘Sustainable Autism Champions’, saw 180 early childhood educators participate across 67 ECEC services who had previously taken part in the earlier training packages.

This project also included a range of resources for early childhood educators and families to support autistic children in early childhood settings. These resources have been made publicly available following the completion of the project and can be found on the [Autism Association of WA website](#).

Outcomes: Services participating in the training identified an increase in their capacity and strategies to support autistic children in their service (as reflected by participants and in their Strategic Inclusion Plan and/or Quality Improvement Plans). These services also reported an increase in the participation of autistic children in their services.

2.5 Program application and ongoing documentation

To access the Program, services must hold a current Strategic Inclusion Plan (SIP) outlining how identified strategies will support the inclusion of children in a particular care environment (e.g., a particular room at a service). In addition, applying for funding under the IDF requires services to access the Inclusion Support Portal to submit an Inclusion Support Case. An overview of these two elements is included below:

2.5.1 Strategic Inclusion Plan (SIP)

The **Strategic Inclusion Plan** is a reflective tool for ECEC services to assess and plan for improving and embedding inclusive practice. The intention is that the Inclusion Agency provides guidance in developing the plan, which outlines short- and long-term strategies for enhancing inclusive practices, including an inclusion profile for each care environment. The plan should be considered first and foremost as a living document, continually updated, and reviewed within a 12-

³⁵ Ibid.

³⁶ Autism Association of Western Australia, *Autism Early Childhood Champions* (2023) <<https://www.autism.org.au/autism-early-childhood-champions/>>.

³⁷ We acknowledge that there are differences in individual preferences for the language used in reference to autism. Some individuals in the autistic community prefer *identity-first* language (“autistic people”), some prefer *person-first* language (“people with autism”) while others are fine with either. This report uses identity-first language, in line with language used by the Australian Government in reference to the National Autism Strategy. We note that program data sourced from ORIMA uses the term ‘autism spectrum disorder (ASD)’ to describe disability type/diagnosis, therefore we have retained this terminology when directly reporting on this data.

month period. It should be monitored and reviewed on an ongoing basis to ensure that the child's needs continue to be met and that the strategies used are effective.³⁸

The SIP must identify barriers to inclusion and propose strategies to address them, including changes to educator practices, training, mentoring, coaching, resources, policies, community support services, and accessing an additional educator. Through the Strategic Inclusion Plan, an inclusion barrier may be identified that requires an additional intervention or funding support, which can be addressed through accessing the Specialist Equipment Library or funding through the Inclusion Development Fund.³⁹

2.5.2 Inclusion Support Portal

The **Inclusion Support Portal** (the Portal) is an online platform that allows eligible ECEC services to complete their Strategic Inclusion Plan and apply for funding through the Inclusion Development Fund. Once a service has made initial contact with its Inclusion Agency, they can start developing their Strategic Inclusion Plan immediately on the Portal or wait to develop it in collaboration with their Inclusion Professional during a site visit. A paper-based Strategic Inclusion Plan is available through the Inclusion Agency for services that do not have access to the Inclusion Support Portal.

When submitting an Inclusion Support Case in the Portal to request funding through the IDF, services must enter information about the child or children who require support and the particular hours in which they attend the service. The process to apply for IDF funding through the IS Portal involves gathering comprehensive information about the child's needs, strengths, and goals, as well as the environmental factors that may impact their participation in the ECEC setting.⁴⁰

2.6 Previous evaluations and studies related to the ISP

Previous evaluations and studies related to the ISP have provided information on the degree to which the Program is achieving its intended outcomes, areas where the Program is working well, and where improvements can be made.

These prior evaluations and studies have been used as background to inform the review's initial understanding as to the program specification and areas of inquiry.

A summary of previous reviews, evaluations and research relating to the Inclusion Support Program is reflected in Appendix A.

2.7 The current ECEC policy landscape

The Australian ECEC sector is currently in a state of change, noting commitments across Australian and state and territory governments to ensure affordable and universal access to ECEC and broader early years supports for the safety, health and wellbeing of children across Australia.

While the Australian schooling sector is predominantly delivered by state and territory governments, the Australian ECEC sector is a mixed-market in which the substantial majority of services are delivered by private and non-government providers.⁴¹ Further, while state-funded

³⁸ Australian Government, Department of Education, *Child Care Package (Resources) - How to complete an Inclusion Support Case in the Inclusion Support Portal* (6 April 2023) <<https://www.education.gov.au/child-care-package/resources/how-complete-inclusion-support-case-inclusion-support-Portal>>.

³⁹ Australian Government, Department of Education, *Inclusion Support Program Guidelines v2.4* (September 2022) <<https://www.education.gov.au/download/2994/inclusion-support-program-guidelines/30348/document/pdf>>.

⁴⁰ Australian Government, Department of Education, *Innovative Solutions Support* (August 2020) <<https://www.education.gov.au/download/5062/inclusion-support-program-innovative-solutions-support/28993/document/docx>>.

⁴¹ ACECQA, *'NQF Snapshots'* (2023), <<https://www.acecqa.gov.au/nqf/snapshots>>.

compulsory, free public education (i.e., primary and secondary schooling) has been delivered for over 150 years in Australia,⁴² ⁴³ the formalised ECEC sector in Australia is comparatively recent.

2.7.1 Complexity of mixed-market delivery of ECEC in Australia

The contemporary Australian ECEC sector is a mixed-market model,⁴⁴ with education and care provided by:

- **government-operated services**, often preschools/kindergartens delivered by state and territory governments
- **private for-profit services**, ranging from smaller services to larger national providers
- **not-for-profit services**, encompassing smaller community and religious organisations, as well as larger national providers.

To add to this complexity, the regulated ECEC sector is made up of a range of different service types across varying ages, mainly:

- **long day care (LDC) services**⁴⁵, offering early years (day care), and preschool/kindergarten programs
- **preschool/kindergarten services**, offering a preschool/kindergarten program, often between the hours of 9am – 3pm
- **family day care (FDC) services**, offering early years (day care), and in some cases, outside school hours care (OSHC) in a residential setting
- **outside school hours care (OSHC)**, offering before and after school care, and vacation care, to school-aged children.⁴⁶

As a result, the operational context of these services differs substantially across service type, the age of children attending and the type of provider. While state and territory governments may have direct oversight over the day-to-day operations of Department preschools or kindergartens, there will naturally be less government oversight over the day-to-day management of non-government providers delivering ECEC services.

2.7.2 Impact of regulatory and legislative changes

Recognising this mixed-market complexity, and to ensure that quality standards are maintained across the sector, regulatory standards are benchmarked and assessed by state and territory governments and ACECQA through the National Quality Framework (NQF).

However, since its introduction in 2012, the NQF has undertaken a number of amendments as a result of regulatory interventions to address emerging issues of concern.

For example, reviews of the NQF in 2014 and 2019 have resulted in a range of regulatory changes across the sector, including changes to policy and documentation requirements, qualification

⁴² NSW Department of Education, 'History of NSW Government schools', (2023), <<https://education.nsw.gov.au/about-us/history-of-nsw-government-schools>>.

⁴³ 'Schools and education in Tasmania', *Libraries Tasmania* (2023), <<https://libraries.tas.gov.au/tasmanian-archives/schools-and-education-in-tasmania/>>.

⁴⁴ Deborah Brennan and Marianne Fenech (2014), 'Early Childhood Education and Care in Australia: equity in a mixed market-based system?', *An Equal Start? Providing Quality Early Education and Care for Disadvantaged Children* 171

⁴⁵ Long day care (LDC) services are also commonly referred to as 'Centre Based Day Care' (CBDC) services.

⁴⁶ While outside school hours care (OSHC) services are permitted under the National Law and Regulations to provide education and care for children preschool age or, this is substantially less common than the provision of OSHC to school-aged children in Australia. Jurisdictions such as the ACT have trialled a rollout of OSHC for preschool-aged children. <<https://www.education.act.gov.au/early-childhood/set-up-for-success-an-early-childhood-strategy-for-the-act/out-of-school-hours-care-in-preschool-environments>>.

requirements, changes in health and safety practices (e.g., sleep and rest practices),⁴⁷ as well as broader changes to the NQF to improve its efficiency (e.g., revised quality ratings process).⁴⁸

While these changes to the regulatory framework were considered necessary to ensure the health, safety and wellbeing of children in care, as well as improve the overall sustainability of the regulatory system, there is a risk of administrative burdens associated with ongoing policy change, as services and educators to adapt their practices to remain compliant.⁴⁹

2.7.3 Substantial shifts in government funding

Australian governments in recent years have further emphasised the importance of universal access to early childhood education and care (ECEC), both from a child development perspective as well as the positive flow-on impacts for workforce proactivity and the broader Australian economy.

As a result, a significant amount of funding has been committed to enable this increase in ECEC participation for children, both by the Australian Government (for long day care, family day care and OSHC) and state and territory governments (for preschool/kindergarten). Considering the broad developmental and broader economic impacts of high-quality ECEC can be measured over an individual's lifetime, the effects of these funding increases are yet to be fully articulated.

2.7.4 Government commitments to address child care access and affordability

In recent years, political discourse and government priorities in Australia have recognised the value of accessible, high-quality early childhood education and care for children, families, employers and the broader community.

In particular, the Australian Government has committed to increasing ongoing funding to support child care affordability for families, primarily as an economic recovery measure to increase workforce participation and reduce cost of living challenges for families.⁵⁰

Through amendments to the Family Assistance Law (FAL) passed in November 2022, the Australian Government increased the child care subsidy, increasing the maximum subsidy to 90% of total child care costs as well as increasing the income limit for families accessing the subsidy.⁵¹ These changes also increase the subsidy rate provided for second and younger children, even if they are accessing ECEC at the same time.

In addition to increasing the CCS, the Australian Government also announced a number of funding commitments to support access to ECEC. These include:

- Expansion of the Community Child Care Fund-Restricted (CCCFR) grant, providing additional funding over four years to establish up to 20 new CCCFR services, predominantly in regional, rural and remote locations⁵²
- Expansion of the Connected Beginnings grant, developing place-based, community led approaches to steady, wrap-around supports for children to meet early learning and

⁴⁷ ACECQA, 'Changes to the NQF starting from 1 July 2023 and the extension of workforce transitional arrangements to 31 December 2024', (2013), <<https://www.acecqa.gov.au/latest-news/changes-nqf-starting-1-july-2023-and-extension-workforce-transitional-arrangements-31-december-2024>>.

⁴⁸ ACECQA, *Making Quality Assessment and Rating More Effective* (2022), <https://www.acecqa.gov.au/sites/default/files/2022-11/InfoSheet_Making%20quality%20assessment%20and%20rating%20more%20effective%203.pdf>.

⁴⁹ Parliament of Australia, Senate Employment Workplace Relations and Education References Committee, *Small business employment* (2003), <https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Work_and_Care/workandcare/Report>.

⁵⁰ Australian Government, *Budget October 2022-23* (2022) <<https://www.servicessaustralia.gov.au/sites/default/files/2022-10/budget-2022-23-october-9.pdf>>.

⁵¹ Department of Education, Skills and Employment, *Changes to the Child Care Subsidy* (2022) <<https://www.education.gov.au/newsroom/articles/changes-child-care-subsidy>>.

⁵² Department of Education, Skills and Employment, *Community Child Care Fund (CCCF) Restricted Grant Expansion* (2023) <<https://www.education.gov.au/early-childhood/community-child-care-fund-restricted-guide/introduction/cccf-restricted-grant-expansion>>.

developmental milestones. The government has committed an additional \$81.8 million to establish 28 additional sites by 2025.

Continued reforms and collaboration with states and territories include the Preschool Reform Agreement, which ensures that that Australian Government funding to states and territories for preschool programs delivers on actions to improve preschool participation and outcomes.⁵³

State and territory governments have also made a range of commitments to supporting access and inclusion in ECEC settings, as well as broader early intervention strategies.

Examples of state government funding commitments to support inclusion include the Kindergarten Inclusion Support (KIS) program delivered in Victoria,⁵⁴ the Kindy Uplift inclusion funding delivered in Queensland,⁵⁵ and the Disability and Inclusion Program delivered in NSW.⁵⁶

An overview of these state-delivered funding programs has been included under Appendix section C.2.3.

2.7.5 The Early Years Strategy

The Australian Government is currently developing an Early Years Strategy to enable a holistic, integrated approach of Australian Government services to support children in the early years. The Strategy recognises the importance of coordinated government programs, funding and frameworks to deliver optimal outcomes across child development and wellbeing domains.⁵⁷

The development of the Strategy was initially consulted on through the National Early Years Summit in February 2023, which brought together parents, researchers, government and non-government organisations to discuss themes such as:

- supporting and empowering children, parents, carers, families and communities
- inclusion - particularly of First Nations peoples, culturally and linguistic diverse (CALD) people and children with a disability
- accountability - to ensure the early years remain an enduring feature of public policy
- the importance of developing approaches that balance universal access to services and supports but that are also responsive and bespoke to local contexts.⁵⁸

In line with the Summit, the Australian Government released a discussion paper around the Early Years Strategy in February 2023, pointing to the Strategy's focus on "breaking down silos" within child-focused settings, as well as highlighting the importance of designing connected approaches to government support which:

- **fulfill international obligations** under the United Nations (UN) Convention on the Rights of the Child, the UN Declaration on the Rights of Indigenous Peoples and the UN Declaration on the Rights of Persons with Disabilities
- **are strengths-based**, relying on positive resources and abilities that children, families and communities have

⁵³ Australian Government, Department of Education, *Preschool Reform Funding Agreement* (26 May 2023) <<https://www.education.gov.au/early-childhood/preschool/preschool-reform-funding-agreement#toc-about-the-agreement>>.

⁵⁴ Victorian Department of Education and Training (DET), *Kindergarten Inclusion Support* (n.d.) <<https://www.vic.gov.au/kindergarten-inclusion-children-disabilities>>.

⁵⁵ QLD Department of Education, *Kindy Uplift* (13 June 2023) <<https://earlychildhood.qld.gov.au/funding-and-support/grants-tenders-and-funding/kindy-uplift>>.

⁵⁶ NSW Department of Education, *Disability and Inclusion Program* (14 June 2023) <<https://education.nsw.gov.au/early-childhood-education/operating-an-early-childhood-education-service/grants-and-funded-programs/disability-and-inclusion-program>>.

⁵⁷ Australian Government, Department of Social Services, *Early Years Strategy* (23 May 2023) <<https://www.dss.gov.au/families-and-children-programs-services/early-years-strategy>>.

⁵⁸ Australian Government, Department of Social Services, *National Early Years Summit - Summary* (2023) <https://www.dss.gov.au/sites/default/files/documents/03_2023/national-early-years-summit-summary.pdf>.

- **are child and family centred**, listening and including the voices of families children and seek capture their ideas within the development of approaches
- **amplify the voices of First Nations communities**, through recognising the positive impacts of cultural connection and kinship structures in early childhood development, health and wellbeing
- **respect diversity and inclusivity**, acknowledging through policy development that children and families are unique and diverse across culture, religion, language, ability, location and family composition, including the LGBTQIA+ community.⁵⁹

The Early Years Strategy is currently in development, led through whole-of-government coordination by the Department of Social Services (DSS).

2.7.6 The National Vision for ECEC

The draft National Vision for early childhood education and care ('National Vision for ECEC') is a collaborative plan between Australian education ministers to ensure a nationally consistent long-term vision to drive future reform of ECEC.⁶⁰

This draft Vision recognises the contemporary landscape of ECEC policy reform across jurisdictions, the benefits of high-quality ECEC, and the importance of access to affordable care in enabling increased workforce productivity.

According to the draft vision, the four key principles for nationally consistent ECEC reform are:

- **Equity** - All children are supported to succeed, regardless of their circumstances and abilities. Carefully designed strategies and targeted investment provide additional support to children and families when and where they need it
- **Affordability** - ECEC is within the means of all families. Sustainable, flexible funding systems are in place to support providers in reducing cost barriers for all children and families.
- **Quality** - ECEC services are culturally appropriate for their community and meet high standards in providing learning and development outcomes. Children build relationships with a stable, qualified workforce that is recognised for its critical role in the community, and families have confidence in ECEC services
- **Accessibility** - Geographic or cultural barriers to attending a high-quality ECEC are removed. Services are supported to provide flexible models that meet the needs of their community and link with support services where families need them.⁶¹

More broadly, the draft National Vision establishes a policy direction for the future in which every child has access to ECEC, barriers to workforce participation due to care arrangements are addressed for families, the ECEC workforce is highly skilled, valued and professionally recognised and that governments take a 'holistic approach as stewards of the ECEC system, in partnership with the sector...'.⁶²

2.7.7 Early system stewardship approaches in the ECEC sector

This emphasis on system stewardship in the draft National Vision is reflected across a range of early childhood initiatives, as well as other government departments and sectors.

⁵⁹ Australian Government, Department of Social Services (DSS), *Early Years Strategy – Discussion Paper* (February 2023) <<https://engage.dss.gov.au/wp-content/uploads/2023/02/early-years-strategy-discussion-paper.pdf>>.

⁶⁰ Australian Government, Department of Education, Skills and Employment, *National Vision for Early Childhood Education and Care* (15 June 2023) <<https://www.education.gov.au/early-childhood/strategy-and-evaluation/national-vision-early-childhood-education-and-care>>.

⁶¹ Ibid.

⁶² Ibid.

More broadly, 'stewardship' as a notion refers to the action of caring for something.⁶³ In the context of public policy, this can relate to establishing government programs and initiatives designed to support and foster the delivery of a particular service or outcomes by a sector.

State government agencies, such as the NSW Department of Education, have developed formal commitments to delivering an approach to system stewardship in the ECEC sector, setting up a 'System Stewardship Directorate' within their early childhood policy branch.⁶⁴

While the notion of system stewardship is relatively new within the ECEC policy landscape, other more formal stewardship models exist within settings, such as the role of the National Disability Insurance Agency (NDIA) shaping, overseeing and implementing the NDIS.

Box 2.4: Major reviews and inquiries underway

In addition to the significant policy developments outlined above, there are several reviews and inquiries that could further change the policy landscape going forward.

The Australian Government has provided \$10.8 million to fund the Australian Competition and Consumer Commission (ACCC) to investigate the drivers of early childhood education and care costs. The **ACCC Inquiry into ECEC prices** will consider the rising costs of childcare and the impact and the effectiveness of existing price regulation mechanisms. With a Terms of Reference that includes considering the costs and prices in the sector, factors affecting demand, supply and competition, the ACCC Inquiry findings could inform improvements to the department's CCS market monitoring and market shaping interventions.⁶⁵ The ACCC has issued an interim report to the Treasurer on 30 June 2023 and will deliver a final report by 31 December 2023.

The findings from this inquiry will feed into the Productivity Commission's review. The Terms of Reference for the **Productivity Commission inquiry** were released on 9 February 2023. The Productivity Commission has been asked to produce recommendations that will support affordable, accessible, equitable and high-quality ECEC that reduces barriers to workforce participation and supports children's learning and development, including considering a universal 90 per cent child care subsidy rate.⁶⁶

In doing so, the Commission will consider options that improve or support:

- affordability of, and access to, quality ECEC services that meet the needs of families and children
- developmental and educational outcomes for Australian children, including preparation for school
- economic growth, including through enabling workforce participation, particularly for women, and contributing to productivity
- outcomes for children and families experiencing vulnerability and/or disadvantage, First Nations children and families, and children and families experiencing disability
- the efficiency and effectiveness of government investment in the sector.

The final inquiry report is to be handed to the Australian Government by 30 June 2024.

The CCCFR grant is also being reviewed by the Department of Education, with the review report to be delivered in early 2024.

⁶³ Oxford Learner's Dictionaries, *Stewardship* (2023)

<<https://www.oxfordlearnersdictionaries.com/definition/english/stewardship>>.

⁶⁴ NSW Department of Education, *Division Profiles* (30 March 2023) <<https://education.nsw.gov.au/about-us/our-people-and-structure/division-profiles#NSW10>>.

⁶⁵ Australian Government, Department of Education, *Australian Competition and Consumer Commission child care price inquiry* (26 May 2023) <<https://www.education.gov.au/child-care-package/evaluation/australian-competition-and-consumer-commission-child-care-price-inquiry>>.

⁶⁶ Australian Government, Productivity Commission, *Childcare and Early Childhood Learning* – Public Inquiry (2023) <<https://www.pc.gov.au/inquiries/current/childhood#draft>>.

3 The review framework and methods

The review of the Inclusion Support Program has been guided by a structured review framework, ensuring research and analysis was undertaken in a systematic and methodical fashion.

3.1 Overarching research questions

The purpose of this review is to ensure the Program is meeting its policy intent and objectives, consistent with the Government’s commitment to achieving the best possible outcomes for children with additional needs and their families.

When commencing this research, Deloitte Access Economics analysed the questions outlined in the original research brief to determine the most appropriate research approach and analytical tools to achieve the objectives of the review. The research questions have been organised around four key themes, with the findings of this review and the opportunities for change presented accordingly (see Table 3.1 below).

Table 3.1: ISP review research questions

Theme 1: Policy and strategic alignment
To what extent is the ISP consistent with the Australian Government’s strategic policy objectives and key priorities?
Are the original and current policy objectives still relevant?
Has ISP demand changed since the introduction of the Program?
What, if any, amendments to the objectives would enable a more effective response to ISP demand?
How well does the ISP align and/or interact with other government programs targeting similar objectives, participants, or activities?
Theme 2: Program design and effectiveness
Is the Program design the most effective way to build the capacity and capability of ECEC to support the inclusion of children with additional needs?
Are there emerging issues that might limit the achievement of intended outcomes? If so, what actions are being taken to address them?
How do its outcomes compare with similar programs elsewhere, or with alternative ways of achieving the same outcomes?
Theme 3: Resourcing and financial sustainability (efficiency)
How, and to what extent does the Program address changes in demand?
Is the ISP adequately resourced to undertake its activities?
Theme 4: Future alignment
What, if any, lessons can be drawn from the program to improve the efficiency or effectiveness of future programs?

3.2 Analytical grounding of this review

As part of this research, Deloitte Access Economics was asked to examine the performance of the ISP against the criteria of "effectiveness, efficiency and strategic policy alignment". To ensure the research approach aligned to the intended objectives, definitions of these terms were agreed upon between the research team and the Department. As the research progressed, further concepts and terms were identified that required an agreed definition in order to ensure their appropriate treatment in the review. These agreed definitions are outlined in Table 3.2 below.

Table 3.2: Agreed definitions for the review

Item	Definition/parameters
Effectiveness	Agreed definition: the extent to which the Program is achieving its intended goals and objectives
Efficiency	Agreed definition: the degree to which the Program is achieving its intended goals in a cost-effective manner Note: costs in this definition may refer to financial costs, time or broader resource inputs required to deliver the Program
Strategic policy alignment	Agreed definition: the degree to which the Program objectives align with the overarching strategic policy intent, and support the achievement of related Departmental goals and priorities
Inclusion Support Program (ISP)	Agreed definition: The ISP, delivered in its current iteration since March 2020. This includes support and resources delivered through Inclusion Agencies (IAs), the Inclusion Development Fund (IDF) subsidy for immediate/time-limited support, IDF Additional Educator Subsidy, IDF FDC Top Up, and the IDF Innovative Solutions Support.
Inclusion	Agreed definition from ISP Guidelines: "[Inclusion] involves taking into account all children's social, cultural and linguistic diversity (including learning styles, abilities, disabilities, gender, family circumstances and geographic location) in curriculum decision-making processes. The intent is also to ensure that all children have equitable access to resources and participation, and opportunities to demonstrate their learning and to value difference." <i>(Source: Australian Government ISP Guidelines v2.4, pg. 5)</i>
Current program cohort	Agreed definition from ISP Guidelines: "children with additional needs". ISP guidelines note that additional needs may arise for children who: <ul style="list-style-type: none"> • have a disability or developmental delay • are presenting with challenging behaviours • have a serious medical or health condition, including mental health • are presenting with trauma-related behaviours. Furthermore, supports provided through the Program may meet the needs and requirements of: <ul style="list-style-type: none"> • Aboriginal and Torres Strait Islander children • children from culturally and linguistically diverse backgrounds • children from refugee or humanitarian backgrounds <i>[children that] may also require specific considerations, such as cultural support, to ensure that these children are able to participate fully in ECEC services and experience positive outcomes.</i>

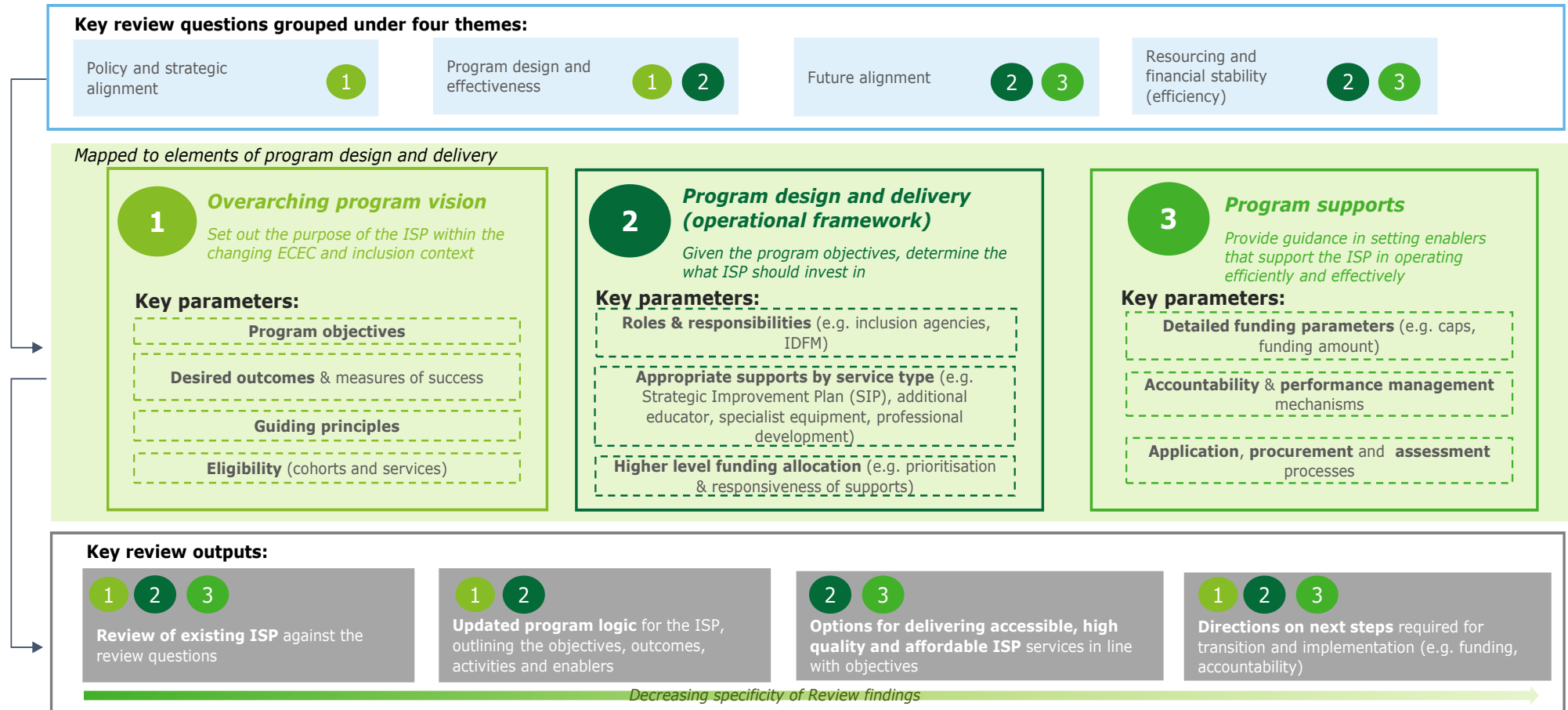
Item	Definition/parameters
	<p>Noting this broad definition, the Program aims to address barriers for children to accessing and participating in high-quality ECEC, whatever those barriers are or may derive from.</p> <p>In respect of funding, from ISP guidelines:</p> <p><i>The Program does not prescribe an explicit list of additional needs, disabilities or vulnerabilities (including medical conditions) that determines whether or not the service is eligible to access funding under the Inclusion Development Fund.</i></p>
Participation	<p>Agreed definition: the attendance of a child at/in the service, including active involvement in learning activities, experiences, and interactions within their environment.</p>
Capacity and capability	<p>Agreed definition: Capacity refers to the <u>ability of the ECEC service to enrol children with additional needs</u>, including ensuring adequate supervision of all children (under the National Law) and ensuring the physical environment, furniture and centre resources are appropriate and fit-for-purpose (e.g., relevant educational resources and supports).</p> <p>Agreed definition: Capability refers to the <u>level of skills, knowledge and attitudes</u> held by staff/ECEC service to support the needs of children with additional needs.</p>

3.3 Framework overview

Drawing together the Department’s stated objectives for the ISP review, the research questions and the agreed definitions for key terms, Deloitte Access Economics developed an overarching review framework.

The review framework, shown in Figure 3.1 below, represents the guiding approach for this research, including the key parameters within each element of the Program, and intended outcomes upon completion of the analysis.

Figure 3.1: Framework for the ISP review



Source: Deloitte Access Economics (2023)

3.4 Research design and methods

The research design for this review was developed with the intent to deliver evidence-based findings to inform future funding and policy settings. Figure 3.2 outlines the four key elements of the overarching research design.

Figure 3.2: Research design for the ISP review



Source: Deloitte Access Economics (2023)

1. Establish the review framework

- The review framework brought together review questions, data sources and analytical methods.

2. Review the ISP and its current settings

- The first component of the review was to assess the current model against the criteria of effectiveness and efficiency.
- In doing so, it sought to understand whether there are iterative improvements to be made to the Program and/or its operating model. This progressed through most aspects of our method, but predominantly through the analysis of program information and stakeholder consultation.

3. Develop future opportunities

- The review applied the criteria of strategic policy alignment in order to identify opportunities on the nature of the Program in the long term. This brought together aspects from across our methodology, including a review of contemporary literature and insights from experts and current ISP providers.

4. Identify an implementation path

- Given the potential gap between current and desired policy settings, the review identifies considerations for transitioning from the current to future state.

The review questions underpinned the robust mixed-methods research design, which incorporated quantitative and qualitative data analysis across a broad range of primary and secondary data sources. The strength of a mixed-methods approach is in the triangulation of data whereby data sources are brought together to establish overlapping, complementary and contradictory findings. This allowed the research team to present balanced and deep insights in response to each of the research questions.

Primary data collected by Deloitte Access Economics and ORIMA (see Section 4.5) for the purposes of this review included:

- **an ECEC sector survey**

- Survey design incorporated the collection of demographic information along with multiple choice and open-text responses.
- The survey was circulated widely to capture input from every Australian jurisdiction, a range of provider types and delivery contexts and sufficient engagement to ensure validity of survey data collected.

- **semi-structured interviews with Departments, peak bodies and advocacy organisations**

- Key stakeholders were identified and agreed, and consultations were conducted in the form of semi-structured interviews and focus groups.
- Recognising the importance of family voice within child-centred program design and implementation, this review consulted with a number of parent and family advocacy organisations with interests in ECEC, disability policy and broader inclusive education.

- **interviews with ECEC services**

- Sampling parameters were determined and agreed in order to conduct focus group discussions.
- Targeted focus group sessions were delivered in partnership with SNAICC (see Box 3.1).

An overview of the survey for this research is included in Appendix F.

Secondary data sources that have been included in this research to strengthen the analysis and findings include:

- **relevant ECEC data (program and publicly available data)**
 - ISP and CCS data from Australian government data sources were accessed, cleaned and analysed.
- **previous program evaluations** of the ISP
- **existing and emerging literature on inclusive practices and the early childhood sector**
 - research parameters were set, and the desktop review was conducted against aligned research questions.
- **reviews and evaluations of other government programs** targeting ECEC inclusion and participation.

Box 3.1: Consultation with Aboriginal services, in partnership with SNAICC – National Voice for Our Children

To ensure the views and perspectives of First Nations services have been adequately captured and considered as part of this review, SNAICC supported Deloitte Access Economics through coordinating focus groups and interviews with 21 Aboriginal ECEC services across May 2023, both in-person and through online sessions.

These consultations ensured a diverse representation of First Nations voices, and included services:

- across four jurisdictions (QLD, NSW, Victoria and WA)
- both accessing and not-currently accessing the ISP
- across different service types, including centre-based day care (CBDC) services and NSW Aboriginal Child and Family Centres (ACFCs).

A detailed overview of the underpinning evidence base, including the extent and quality of available primary and secondary data collated throughout the review, is outlined in Chapter 4.

3.5 Scope of research as part of this review

3.5.1 In-scope of this review

When commencing the ISP review, clear parameters were identified to ensure that review findings are comprehensive, relevant and in line with the intent of the review.

The following points were identified as within the scope for analysis of the existing program:

- review of existing evidence relating to the ISP, including previous evaluations and reviews of the Program

- ISP governance and program management, including the role of the Department, Inclusion Agencies (IAs) and the Inclusion Development Fund Manager (IDFM)
- the suitability and responsiveness of supports delivered or accessed by different ECEC service types under the ISP, including how these supports are prioritised within program delivery
- the suitability of the program design and its objectives in line with the makeup of the current ECEC sector, as well as current evidence around inclusion, child development, and wellbeing
- intersection and overlap of the ISP with other disability and inclusion programs, including supports delivered under the NDIS
- opportunities for policy redesign, including considering consultation and data analysis findings, international examples of inclusion in ECEC and school settings, as well as reviewing inclusion programs in other comparable sectors (e.g., identified examples in social work, health settings).

3.5.2 Out-of-scope of this review

To ensure that the findings of this review are both relevant to the ISP and implementable within its policy remit, the following aspects were considered beyond the scope of this review:

- broader strategic positions, objectives and programs by the Department, the Australian Government and state and territory governments outside the scope of the ISP
- evaluation of specialised individual supports, such as supports provided under the NDIS (*outside of identified scope of analysis above*).

3.5.3 Broader contextual factors considered by this review

The ISP review recognises the broad range of contextual factors that may impact on outcomes under the program, and these have been considered as part of understanding the practical implementation of opportunities identified from this review:

- the current regulatory framework for ECEC, in particular the National Quality Standard (NQS) and regulatory obligations under the National Law and Regulations
- current workforce shortages affecting the sector
- the structure of ECEC qualifications, including materials covered within units of study
- the Approved Learning Frameworks, including the role of inclusion within the EYLF and My Time, Our Place (MTOPE)
- intersection of the ISP with other inclusion and disability support programs, such as circumstances where supports may be delivered through the ISP and the NDIS concurrently.

3.6 Approach to ethics

This section highlights the ethical approach adopted throughout the review, focusing on three key areas: (1) maintaining anonymity and de-identification of information, (2) upholding data integrity, and (3) fostering culturally appropriate.

By prioritising confidentiality, the ISP review team ensured that participants' identities remain protected. Rigorous methodologies have been employed to maintain data integrity, ensuring reliable insights. Culturally appropriate engagement contributed to a culturally safe space for First Nations voices to be heard and incorporated in the review findings and recommendations. This section explores the specific strategies employed in these areas, emphasising the review's commitment to an ethical framework.

3.6.1 Maintaining anonymity and de-identification of information

Preserving the confidentiality and privacy of survey and consultation participants has been regarded as a priority for this review. To ensure that individuals' identities and their information remain confidential, the project team implemented the following measures to maintain anonymity and de-identify the collected data:

- **Data collection protocols:** During the survey and consultation process, participants were assured of the confidentiality of their responses. Clear instructions were provided, emphasising the voluntary nature of participation and the importance of honest and open feedback
- **Removal of identifiable information:** Any data collected that included personal identifiers, such as names, contact information, or any other identifiable details, were immediately removed or redacted from the dataset. This step was crucial in dissociating the responses from the individuals who provided them, ensuring their anonymity
- **Coding and labelling:** To further safeguard participant identities, a coding and labelling system was employed. Each participant was assigned a unique identifier and their corresponding sentiment was assigned one or more related themes that allowed for data organisation and analysis without linking the information to a specific individual. This coding system ensured that all data remained anonymous throughout the analysis process
- **Aggregation of data:** When presenting findings in this report, data was aggregated and summarised at a group level to prevent any possibility of individual identification. This approach allowed for the analysis of trends, patterns and general insights while ensuring that no individual responses could be attributed to specific participants
- **Generalising and anonymising quotations:** In cases where direct quotations were used to highlight participant perspectives, the statements were anonymised. Identifying details or specific information that could potentially reveal an individual's identity were removed or altered, ensuring that participants' anonymity was maintained.

By implementing the strategies, the review team maintained the anonymity and de-identification of information throughout the data collection and reporting processes. These efforts ensured the confidentiality of participants' identities and allowed the review team to comply with ethical and legal requirements regarding data handling and reporting.

3.6.2 Maintaining data integrity

Ensuring data integrity was a key tenet for this review, especially throughout the data collection phase of the review. The review team employed rigorous measures to maintain data integrity through the following strategies:

- **Clear methodology:** The review team developed a clear analytical framework (which served as our methodology) and standardised processes for conducting surveys and consultations. This involved defining the objectives, identifying the target audience, designing the survey questions or consultation in alignment with the analytical framework, and establishing consistent protocols for data collection
- **Participant selection and informed consent:** Careful attention was given to participant selection (with guidance from the Department) to ensure representation from diverse demographics and relevant stakeholders. Clear guidelines were established to obtain informed consent from participants, ensuring that they were fully aware of the purpose of the survey or consultation, the confidentiality of their responses, and any data storage and usage protocols
- **Data validation and verification:** Frequent checks were performed by the review team to validate and verify the accuracy and consistency of the collected data. This involved cross-referencing responses and comparing findings with external sources (via a literature review), when applicable. Any discrepancies or anomalies were addressed and resolved to maintain the integrity of the data
- **Data security and storage:** Data security measures in line with Deloitte Access Economics' data security and storage standards were implemented to protect the collected data from unauthorised access, loss or corruption. This included encrypted storage, restricted access controls and compliance with relevant data protection laws and regulations

- **Data analysis and reporting:** The ISP review team employed rigorous data analysis techniques, ensuring transparency and accuracy in interpreting the collected data. Statistical methods, qualitative literature review and findings validation were employed to derive relevant insights. Findings have been reported objectively, avoiding any bias in the presentation of the results.

By following the aforementioned measures, data integrity was maintained during the data collection phase, ensuring the reliability and validity of the findings. These efforts allowed for informed findings and recommendations, based on a robust evidence base.

3.6.3 Maintaining a culturally appropriate engagement with SNAICC

Recognising the importance of creating a safe and inclusive environment, the research team collaborated with SNAICC to engage with Aboriginal and Torres Strait Islander services.

The review team approached engagement as a consultative and collaborative process and sought the input and guidance of SNAICC when preparing interview questions for the consultations. Through ongoing consultation with SNAICC, the review team engaged with Aboriginal and Torres Strait Islander services to hear their perspectives, needs, priorities, and aspirations, all of which are critical when designing policy to support the Australian ECEC sector.

The ISP review's approach to research, which focused on maintaining anonymity and de-identification of findings, maintaining data integrity, and fostering a culturally appropriate engagement with SNAICC, has been crucial in attaining meaningful and responsive opportunities for change.

4 Underpinning evidence base

The review of the ISP captured evidence across a range of quantitative and qualitative sources, with the research approach ensuring that findings are representative of diverse perspectives and contexts in the Australian ECEC sector.

4.1 Literature analysis

A desktop literature review has been undertaken to source, analyse and review existing data, information and resources readily available from documents and electronic sources. Desktop reviews can be conducted for a variety of purposes, such as in academic research, policy development and analysis, market research, business planning and program evaluation. They are an effective and efficient way to rapidly gather information and insights, to gain a broad overview of existing knowledge before undertaking more focused research.

Comprehensive literature reviews should include a range of current sources. This review, therefore, examined published and unpublished 'grey' literature (e.g., reports, conference papers, government documents, fact sheets, legislation and statistics), available reviewed literature (also referred to as 'black' literature), and other secondary sources of information. Grey literature is usually not peer reviewed yet is still a useful and reliable source of information when conducting a desktop review, if selected carefully, given it is generally more current than peer reviewed literature. The literature included in this review has been sourced both from the Department of Education, as well as other academic research and policy materials available online. The goal of the literature review is to gather relevant and reliable information and insights that can be used to inform the ISP review.

To support the synthesis of research findings and direction for policy development, the Deloitte Access Economics team iteratively engaged with stakeholders to determine the strength of evidence and gaps in research in developing key findings.

4.2 Stakeholder consultation and engagement

Interviewing stakeholders in the ECEC sector, particularly those committed to promoting inclusion for children with additional needs, played a key role in gathering evidence for this review.

Deloitte Access Economics consulted with various stakeholders, including Departmental representatives, state government agencies, the Inclusion Development Fund Manager (IDFM), Inclusion Agencies (IAs), relevant sector peak bodies, and experts from think tanks, inclusion and early childhood advocacy organisations and broader academia.

Over six weeks, Deloitte Access Economics conducted online consultations with 98 interview respondents across 44 organisations.

4.3 Sector survey

The purpose of the survey was to capture feedback around how services engage with the ISP, the types and impact of supports used as part of the Program, as well as broader feedback on the Program's strengths and areas for improvement. Sector sentiment and feedback from the survey has been used to inform findings to the key review questions.

The sector survey was developed over several weeks in April 2023 and was tested and refined through consultation with the Department and a number of Inclusion Agencies. The final survey included 20 questions about the respondents' demographic information and level of agreement to statements about the ISP. Open-text responses allowed respondents to provide further insights into their perspectives on aspects of the ISP.

The survey was emailed to over 14,000 email addresses for CCS-eligible services in April 2023 and was open for 16 days, from 28 April to 14 May. In this time, 2,319 responses were received. After initial data cleaning to remove data that was not suitable for analysis (e.g., invalid data, incomplete/duplicate responses or responses that were implausibly fast), 1,963 responses were included in the final analysis.

The survey questions are included in Appendix F.

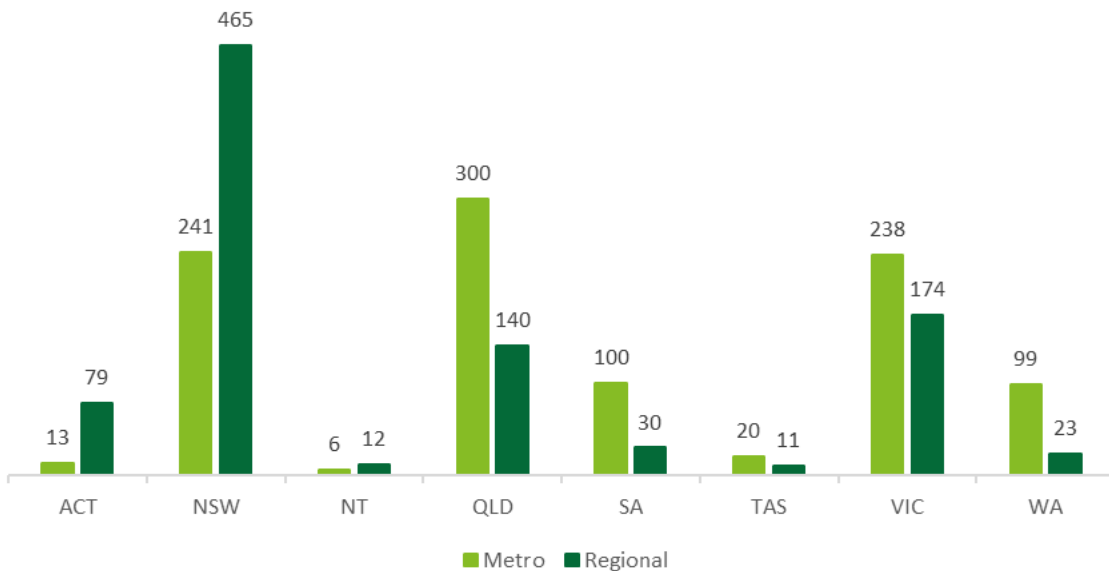
4.3.1 Overview of respondents to the ECEC sector survey

Service location

All states and territories have been represented in the survey results, with a spread of responses across metropolitan and regional areas. To understand the geographic breakdown, participants' locations were aggregated by postcode and classified as either metropolitan (52%) or regional (48%). A large number of responses were from regional NSW, which explains the higher percentage of regional responses than would be typically expected.

The distribution of responses from states and territories is shown in Chart 4.1 below.

Chart 4.1: Distribution of survey responses by location

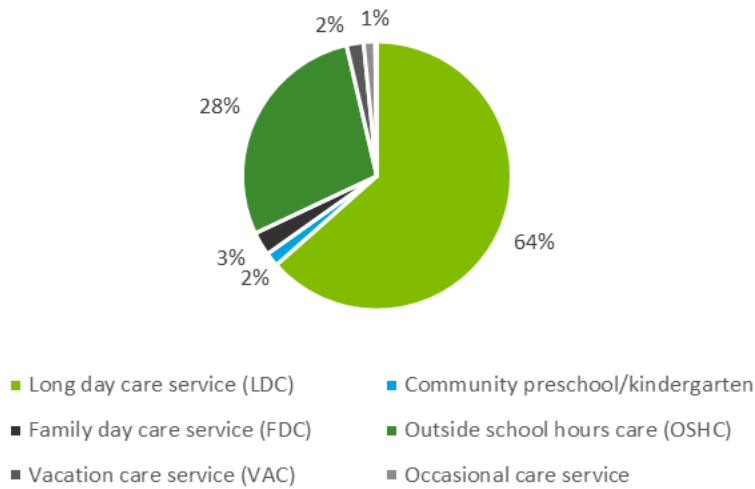


Source: Deloitte Access Economics, using data from 'ISP review sector survey'

Types of services

A range of service types are represented in the survey results with many responses coming from long day care services (64%) followed by outside school hours care services (28%). There is a smaller representation from other services including family day care (3%), vacation care services (2%) and occasional care services (1%) (see Chart 4.2 below).

Chart 4.2: Distribution of survey responses by service type



Source: Deloitte Access Economics, using data from 'ISP review sector survey'

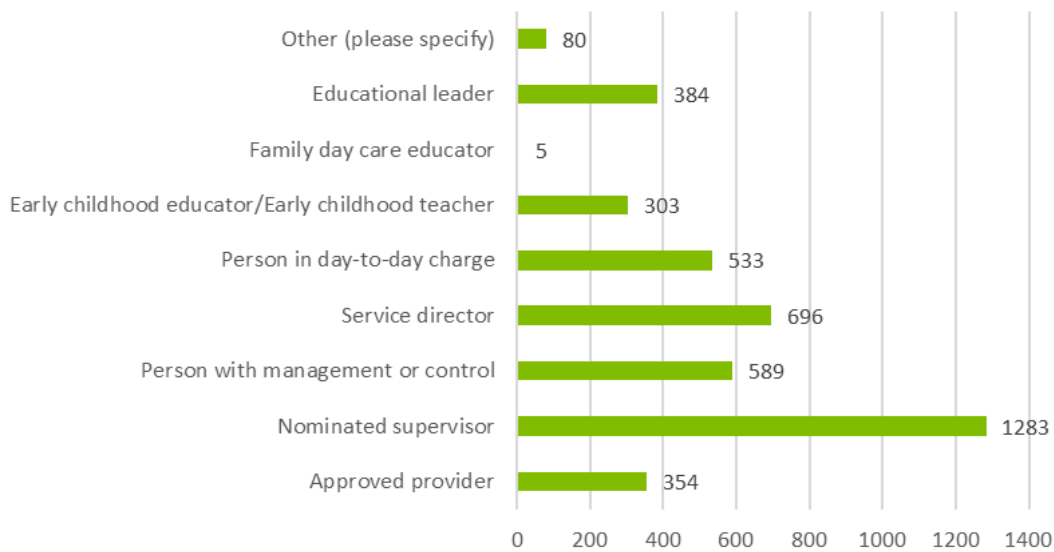
Roles and responsibilities

Survey participants were asked to select their role(s) within their service. They had the option to select more than one role if relevant, recognising that many early childhood professionals undertake multiple roles at their service.

When the survey was emailed to services, it was recommended that it be completed by a staff member with a working knowledge of the ISP and inclusive practices at their service. Furthermore, survey emails to services emphasised that multiple people (i.e., different roles) at the same service could complete the survey.

The most common role selected by participants was 'nominated supervisor' (n=1,283), followed by 'service director' (n=696), 'person with management or control' (n=589) and 'person in day-to-day charge' (n=533) (see Chart 4.3 below).

Chart 4.3: Distribution of survey responses by role of survey respondent



Source: Deloitte Access Economics, using data from 'ISP review sector survey'

4.4 Focus groups

The purpose of the focus groups was to enable a comprehensive understanding around how different types of services engaged with the Program, their perspectives around the current strengths and areas of improvement, as well as broader feedback about how the Department and the Australian Government could support capacity and capability of services to be inclusive moving forward.

The focus groups included 59 ECEC services from across Australia, including all service types accessing the ISP.

The focus group questions are included at Appendix section F.2.

Approach to sampling and invitation

In recognising the importance of a representative sample of services and acknowledging the diversity of the sector and its experiences of ECEC, invitations to participate in ECEC sector focus groups were sent out to a representative sample of approximately 300 services.

The service demographics included within the representative sample included a breakdown across different:

- service types
- jurisdiction (i.e., state or territory)
- service sizes
- levels of remoteness
- levels of ISP funding in 2022
- representation of services with a higher proportion of Aboriginal and Torres Strait Islander children attending ECEC
- profit status (i.e., for profit or not-for-profit).

There was a relatively low service uptake to the focus group invitations in the initial sample of 50 services, requiring multiple rounds of replacements and additional invitations to be sent to services over the consultation period.

Concurrently, a partnership with SNAICC enabled the review team to consult with over 20 Aboriginal and Torres Strait Islander managed and delivered services across a range of service types, jurisdictions and geographical regions.

4.5 Analysis of program and publicly available data

4.5.1 Program data

To provide the research team with access to available national-level program data about the Program, the Department commissioned ORIMA Research to support the ISP review team in data collection. This process involved ongoing discussions between Deloitte Access Economics, the Department and ORIMA around available and appropriate data sets to consider as part of this research.

Once received from ORIMA, Deloitte Access Economics analysed the Program's administrative data on ISP cases, children and payments. Key variables captured in the datasets are given in Table 4.1. The datasets are merged and combined to answer the following research questions:

- Are the original and current policy objectives still relevant? (Section 5.2)
- Has ISP demand changed since the introduction of the Program? (Section 5.3)
- Is the ISP adequately resourced to undertake its activities? (Section 7.2)

Table 4.1: Overview of variables captured in the Program data

Dataset	Key variables captured
ISP case data	<ul style="list-style-type: none"> • Case ID • Start and end date • ISP funding stream <ul style="list-style-type: none"> – Additional Educator – Immediate/time limited – FDC top up – Innovation solutions
ISP child data	All children associated with an ISP case
ISP child demographics data	<p>A combined dataset that captures children who have provided either demographic or disability related information. This includes:</p> <ul style="list-style-type: none"> • Disability (type and diagnosis) • Country of birth • Primary language used at home • Aboriginal and Torres Strait Islander status • Gender • Linkage to ISP case data
ISP service data	<ul style="list-style-type: none"> • Service location • Service type
ISP payment data	<ul style="list-style-type: none"> • Payment data by ISP Case • Time period for payment • Linkage to service data

Source: Deloitte Access Economics, using Department supplied data

Program data from 2015-16 until to date 2022-23 was provided for analysis. While the subsequent analysis focuses on 2016-17 to 2021-22, the observations reported in this section cover all program data received.

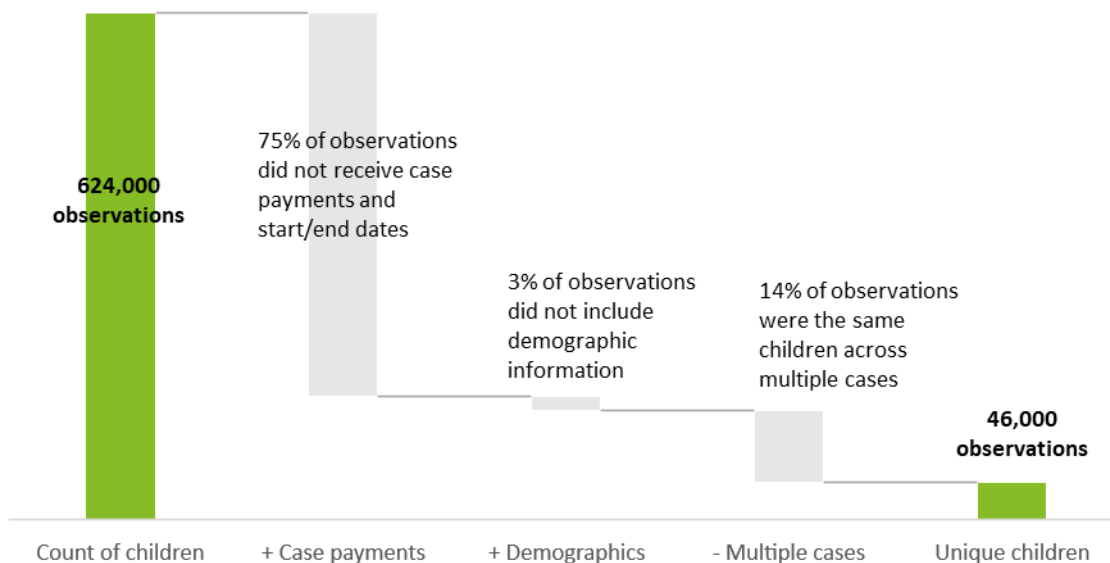
There are key limitations in the existing data that should be considered when interpreting results using the Program data. These limitations – which are described in turn below - are: existing complexity of data; voluntary completion of data fields; and limited documentation of datasets.

The existing data is complex, incomplete, and cannot be reconciled, or fully matched across the datasets despite the linkage IDs provided.

Chart 4.4 below provides an example of the types of data challenges faced:

- There are 624,000 children counted in the ISP child data. Note that a child is counted for each case, and the above estimate may overstate the number of unique children.
- However, only 151,000 counted children are associated with a case that received a payment and reported a start and end date for the child.
- Only 135,000 of the counted children are associated with a case payment, and also provided some information on the child’s disability or demographics.
- Noting that children can be associated with multiple cases, there are 46,000 unique children captured in the ISP datasets, where the child is associated with a case payment and includes demographic information.

Chart 4.4: Relevant observations in the ISP datasets to capture children’s demographic information



Source: Deloitte Access Economics, based on program data.

Completion of the data fields is voluntary, resulting in many instances where data is incomplete across the variables.

Data quality also differs significantly across the variables. For instance, while the data capturing disability is relatively complete, other child demographics, such as country of birth had lower rates of completion.

The sample sizes by variable are listed in Table 4.2. While other variables were considered, they were ultimately not used due to low completion rates.⁶⁷

- The data quality varies over time and has dropped significantly since 2020. For instance, while 61% of unique children with payment data and some demographic information had country of birth data for FY2016 and FY2017, this decreases to 32% for FY2018 and FY2019, and 6% for FY2020 to FY2022. Consequently, time series analysis post-2019 has not been included.

Table 4.2: Completeness of the child data across variables

	Unique children with case payments	+ Disability	+ Country of birth	+ ATSI status
Observations	60,000	45,900	11,200	36,500
Time period considered (based on children’s start date associated with first case with payment)	FY17-FY22	FY17-FY22	FY17-FY19	FY17-FY22

Source: Deloitte Access Economics, based on program data

There is limited documentation for the datasets, which leads to difficulties in analysing the data and ensuring appropriate conclusions are drawn.

For instance, the review team have identified a large number of cases with approval dates are ultimately not associated with a payment, as shown in Chart 4.4 above.

4.5.2 Additional publicly available data

Publicly available data from the National Workforce Census (NWC) has been used to assess changes in ECEC participation rates, across different cohorts and ECEC services.

As it is not possible to direct identify children with additional needs, the analysis focused on priority cohorts that align to the ISP objectives and include children from culturally and linguistically diverse backgrounds, children with disability or long-term health condition, Aboriginal and Torres Strait Islander children and children from humanitarian or refugee background.

The participation rates of groups of children were further disaggregated into service types within ECEC including centre-based day care (CBDC), family day care (FDC), in home care (IHC), outside school hours care (OSHC) and vacation care services.

In particular, this analysis of publicly available data helped to inform findings to the research question *‘are the original and current policy objectives still relevant?’*

⁶⁷ Considered variables include gross family income, requirement for interpreting services and marital status.

Part B: Review findings

5 Policy and strategic alignment

Research questions for Theme 1:

- *To what extent is the ISP consistent with the Australian Government’s strategic policy objectives and key priorities?*
- *Are the original and current policy objectives still relevant?*
- *Has ISP demand changed since the introduction of the Program?*
- *What, if any, amendments to the objectives would enable a more effective response to ISP demand?*
- *How well does the ISP align and/or interact with other government programs targeting similar objectives, participants, or activities?*

This chapter examines the Inclusion Support Program’s place in the current ECEC policy landscape, and how the Program’s objectives and intent align with other initiatives and broader government policy positions. It addresses each research question individually, reflecting, as applicable, on the findings from the literature (including those summarised in Chapter Appendix C of this report), consultations, survey and data analysis, before arriving at an overarching conclusion.

5.1 To what extent is the ISP consistent with the Australian Government’s strategic policy objectives and key priorities?

5.1.1 Findings from the literature analysis

In considering programs targeting similar objectives, participants or activities, this review considered relevant Australian Government policies and programs seeking to support the inclusion of children with additional needs in ECEC settings.

Early Years Strategy

The Australian Government is currently developing an Early Years Strategy to build a comprehensive, holistic approach to support early years development. According to the Australian Government, the Early Years Strategy will “seek to support improved coordination between Australian Government programs, funding and frameworks impacting early childhood development”.⁶⁸

The Early Years Strategy is currently being developed by several Australian Government departments through advice from a 14-member Advisory Panel. However, no substantial information has been released around the Early Years Strategy to-date. In recognising the importance of inclusive practices and early intervention to support the social, emotional, and physical development of children in early years, the Department may wish to consider how the objectives and intent of the Program is embedded in the Strategy, by enabling formalised coordination across Australian Government services within the Program architecture, as well as prescribing the importance of inclusion within the final Early Years Strategy document.

⁶⁸ Australian Government, Department of Social Services, *Early Years Strategy* (23 May 2023) <<https://www.dss.gov.au/families-and-children-programs-services/early-years-strategy>>.

National Vision for ECEC

Australian Government, State and Territory Education and Early Years Ministers are currently developing a long-term National Vision for ECEC which recognises the importance of ECEC in supporting both workforce participation and child learning and development.

The draft National Vision, which was released for consultation in March 2023, outlines four key principles of Equity, Affordability, Quality and Accessibility, with key strategic levers and enablers contributing to outcomes around increased early childhood participation, increased workforce participation for families, increased attraction and retention of the ECEC workforce and establishing Governments as 'stewards' of the ECEC system in partnership with the sector.⁶⁹

Within the draft National Vision, there are relevant references to inclusion across the document, albeit not explicitly referring to commitments to enabling inclusion or early interventions. These references in the draft National Vision include:

- A key principle of "Equity", in which "all children are supported to succeed, regardless of their circumstances and abilities. Carefully designed strategies and targeted investment provide additional support to children and families when and where they need it".
- A key principle of "Accessibility" in which "geographic or cultural barriers to attending high-quality ECEC are removed. Services are supported to provide flexible models that meet the needs of their community and link with support services where families need them".
- A defined outcome emphasising the role of Governments as system stewards, in which "the ECEC system is joined up and easy to navigate, providing connections between ECEC and broader early childhood development systems and programs".⁷⁰

While these statements in the draft National Vision imply additional supports and focus on supporting children with additional needs, including children with disability, there is no explicit commitment to identifying and addressing inclusion barriers for children with disability or complex health or behavioural conditions within the draft document.

Australia's Disability Strategy 2021-2031

Australia's Disability Strategy 2021-2031 builds on its predecessor, the *National Disability Strategy 2010-2020*, and aims to improve the lives of people with disability, promote increased participation across all facets of life and to build a more inclusive society.

The targeted action plan for early childhood education includes a range of actions to deliver at a national level, especially around developing clearer pathways and timely access to appropriate supports for families in the early childhood landscape when disability or developmental concern is first identified.⁷¹

National Disability Insurance Scheme (NDIS)

As noted in Appendix section C.2.1, the National Disability Insurance Scheme (NDIS), enacted through the National Disability Insurance Scheme Act 2013, takes a nationally consistent approach to providing support for young children who have disability or developmental concern.

The NDIS adopts an early childhood approach, in which young children are provided with extra support to help them build their skills so they can access and participate in everyday activities. The NDIS early childhood approach focuses on supporting children's inclusion and participation in mainstream and community settings such as playgroup, childcare or kindergarten/preschool to help give them the best possible start in life.

⁶⁹ Australian Government, Department of Education, *Draft National Vision for Early Childhood Education and Care* (9 June 2023) <<https://www.education.gov.au/early-childhood/resources/draft-national-vision-early-childhood-education-and-care>>.

⁷⁰ Ibid.

⁷¹ Australian Government, *Disability Gateway – The Strategy and supporting documents* <<https://www.disabilitygateway.gov.au/ads/strategy>>.

Under the early childhood approach, children who do not fully meet the definition of developmental delay and have developmental concerns are also supported. Children are not required to have a formal diagnosis of disability in order to be able to access support.⁷² This aligns with the DDA definition of disability that includes ‘imputed’ disability (see Appendix section C.2.1).⁷³ NDIS supports and services can include speech therapy, occupational therapy, physiotherapy and other forms of support.⁷⁴ The scheme also provides funding for respite care and other forms of support for families of children with disability, as well as for support workers to help families navigate the NDIS system and access the services they need.⁷⁵

The NDIS Review was underway at the time of writing this report, with the final report due in October 2023. The Review is investigating the design, operations and sustainability of the NDIS and is examining ways to make the market and workforce more responsive, supportive and sustainable.⁷⁶ At this stage, it is not known what impact the Review will have on the ISP or the broader ECEC sector, however opportunities for strengthening connections between the supports offered to children with disability across both programs are discussed in more detail in Chapter 8.

National Quality Framework (NQF)

Introduced in 2012, the National Quality Framework (NQF) is the regulatory and legislative framework governing ECEC across Australia. ECEC services are expected to comply with minimum regulatory requirements under the NQF, as well as proactively work toward expectations of service and educational quality outlined in the National Quality Standard (NQS).

The NQF includes four key components:

- 1 The Education and Care Services National Law and National Regulations
- 2 The National Quality Standard (NQS)
- 3 The assessment and rating process (A&R)
- 4 National Approved Learning Frameworks (ALFs)

The NQF places a significant emphasis on inclusion within ECEC settings.

The National Quality Standard (NQS) includes explicit references to inclusion, diversity and equity. In particular, Quality Area 6 empowers services to build collaborative partnerships with families and communities and also emphasises the importance of inclusive practices that contribute to children's inclusion, learning and wellbeing.⁷⁷

Recent changes to the Approved Learning Frameworks – the EYLF and MTOP – have further emphasised the importance of inclusion within early years educational programming. Importantly, the updated versions of these Approved Learning Frameworks are shaped by revised principles which include an increased focus on equity and inclusion.⁷⁸

While the previous Approved Learning Frameworks included “High Expectations of Equity” as a core principle, the shift toward an updated principle of “Equity, inclusion and high expectations”, with

⁷² National Disability Insurance Agency (NDIA), *The early childhood approach for children younger than 7* (12 December 2022) <<https://www.ndis.gov.au/understanding/families-and-carers/early-childhood-approach-children-younger-7>>.

⁷³ Australian Government, *Disability Discrimination Act 1992* (19 April 1992) <<https://www.legislation.gov.au/Details/C2018C00125>>.

⁷⁴ National Disability Insurance Scheme (NDIS), *Understanding NDIS – The early childhood approach for children younger than 7* (2022) <<https://www.ndis.gov.au/understanding/families-and-carers/early-childhood-approach-children-younger-7>>.

⁷⁵ Ibid.

⁷⁶ Australian Government, *NDIS Review* (2023) <<https://www.ndisreview.gov.au>>.

⁷⁷ Australian Children’s Education & Care Quality Authority (ACECQA), *National Quality Standard* <<https://www.acecqa.gov.au/nqf/national-quality-standard>>.

⁷⁸ Australian Government Department of Education (AGDE) for the Ministerial Council, *Belonging, Being and Becoming: The Early Years Learning Framework for Australia (V2.0)* (2022) 17 <<https://www.acecqa.gov.au/sites/default/files/2023-01/EYLF-2022-V2.0.pdf>>.

substantially further information regarding its relevance within ECEC practice, reflects the increasing awareness of inclusion as a baseline expectation for services. Furthermore, the inclusion of “reasonable adjustments” as a prescribed expectation for ECEC services within the Frameworks reflects a further alignment to obligations under the *Disability Standards for Education 2005* (DSE), which is intended to be expanded to cover ECEC services in the near future.⁷⁹

While the updates to the Approved Learning Frameworks include an increased focus on inclusion and adopting reasonable adjustments to include children with additional needs, the previous definition of ‘inclusion’ has been retained.⁸⁰

Australia’s National Autism Strategy

The development of the National Autism Strategy is in its early stages, with no completion date known at this stage. The Australian Government intends for the National Autism Strategy to be a whole-of-life plan. Given the considerable number of autistic children accessing supports through the ISP (see Chart 6.2), the National Autism Strategy will be an important development in improving the social and educational outcomes for autistic children through a focus on early diagnosis, and improved access to evidence-informed early intervention, supports and services.⁸¹

5.1.2 Findings from stakeholder consultation and ECEC focus groups

Broadly, stakeholders noted key issues around the alignment of the Program with other Australian Government programs, policy objectives and key priorities.

This feedback included:

- Services, providers and peak bodies pointed to a misalignment or lack of consensus between the ISP and broader Australian Government policies and reforms supporting inclusion in early years – in particular, supports provided under the NDIS. This is due to:
 - competing conceptual understandings of inclusion and appropriate supports for children with additional needs (*see additional context below*)
 - a perceived lack of clear guidance around enabling the attendance of an NDIS service provider in an ECEC service, particularly around the regulatory, legislative and broader expectations of providers in enabling that integrated support.
- Peak bodies and inclusion-focused organisations noted that inclusion is a “missing link” within the broader national discussion concerning ECEC participation, with most Australian Government reform initiatives focused on reducing out-of-pocket expenses for families.
- Large volumes of feedback from providers, state government agencies and peak bodies pointed to inconsistencies between the ISP and state-level programs and initiatives, which could impede the integration and effectiveness of these programs at the state level.
 - These inconsistencies are perceived to impact the way in which families receive inclusion supports for their children across the early years, in particular when transitioning from long day care (ISP-funded supports) to kindergarten/preschool (state-funded supports), as well as when children transition between education and care settings on an ongoing basis (i.e.,

⁷⁹ Australian Government, Department of Education, Skills and Employment, *Final Report of the 2020 Review of the Disability Standards for Education 2005* (2020), < <https://www.education.gov.au/disability-standards-education-2005/resources/final-report-2020-review-disability-standards-education-2005>>.

⁸⁰ There is a minor revision of inclusion in ‘EYLF v2.0’ to include ‘sexual identity’ as an additional example of children’s diverse circumstances to be considered, however this has not resulted in an implied change to the definition or its broader intent. < <https://www.acecqa.gov.au/sites/default/files/2023-01/EYLF-2022-V2.0.pdf>>.

⁸¹ Australian Government, Department of Social Services, *National Autism Strategy* (2 June 2023) <<https://www.dss.gov.au/disability-and-carers/national-autism-strategy#2>>.

when children attend school (state funded supports) and outside school hours care (ISP-funded supports).

Stakeholders provided feedback that the NDIS has changed the landscape of disability support in mainstream services in three key ways since its introduction. These are:

- **Increased access to specialised disability services** is regarded as a strength of the NDIS, however, with recent announcements that growth of the scheme's cost will be capped under planned reforms,⁸² the impact on supports available for children with disability are not yet understood. This may be the impetus required to consider a needs-based approach to funding support for children with disability and additional needs in ECEC services.
- **An emphasis on individualised approaches**, although positive in the sense that it provides families flexibility and choice in determining appropriate supports for their child, is also regarded by some as being contrary to the philosophy of inclusion where the focus is on removing barriers so that children with disability and additional needs can access and participate in education and care on the same basis as their peers. This individualised approach tends to shift the focus from capability building of education and care services and providers, to a more deficit-based model of disability where the child is seen as requiring individualised support to be included in an ECEC service.
- **A misalignment between eligibility for NDIS and other national and state-based programs** whereby stakeholders noted that children eligible for support under the NDIS, or school-aged children receiving educational adjustments through the NCCD, were not necessarily guaranteed similar support through the ISP.

5.1.3 Findings from ECEC sector survey

While the sector survey did not explicitly ask whether the ISP is consistent with other Australian Government programs or priorities, two themes have been identified through survey respondents' additional comments at the conclusion of the survey.

In light of the current review of the NDIS, providing appropriate support for children with disability is a key priority for the Australian Government, yet findings indicate this is not being delivered for educators and families due to a perceived lack of alignment between the NDIS and the ISP. Findings from the sector survey show that there is a desire from services for a streamlined process to coordinating inclusion and early intervention supports for children to ease the administrative processes associated with both programs. One service noted that:

"Children with additional needs and those who already access the NDIS program and enrol in services should automatically be able to access the correct ISP for their particular needs, without services having to fill in additional paperwork when their needs are already known by the relevant government bodies."

Services also raised that the reliance on an existing diagnosis or NDIS plan to be eligible for the ISP prevented services from accessing funding, thus compromising the quality of care for children within the service. Another service noted that:

"Children who are undergoing diagnosis need support but without a NDIS plan they are unable to access funding, especially with long wait times for diagnosis to take place."

In summary, services expressed a desire for reassessing eligibility criteria for the ISP and introducing a streamlined collaborative mechanism with the NDIS to make funding more accessible for children who would need it and to ease complexity for services. This would help to align the ISP more closely to the Australian Government's policy objectives relating to support for children with disability.

⁸² ABC News, *Disability advocates in shock after Labor announcement of NDIS 'growth target'* (28 April 2023). <Disability advocates in shock over Labor announcement of NDIS 'growth target' - ABC News>.

5.1.4 Conclusion

Through reviewing relevant documents relating to the Australian Government’s strategic policy objectives and key priorities, as well as consultation with peak bodies, services and educators, the findings suggest scope to improve alignment of the Program’s objectives and intent with other priorities, including (i) expectations on educational settings under the *Disability Standards for Education 2005* (DSE); (ii) aims of building an “integrated, holistic approach to the early years” through the Australian Government *Early Years Strategy*;⁸³ and (iii) the comparatively limited requirement for diagnostic criteria under the NDIS early childhood approach.

In particular, services, providers and peak bodies suggested a misalignment between the ISP and the National Disability Insurance Scheme (NDIS), despite the Program enabling avenues for integrated approaches with NDIS-arranged early intervention professionals. This is primarily due to differing eligibility and administrative requirements, such as the need for diagnostic evidence under the ISP, as well as a perceived lack of available guidance around the regulatory and broader expectations for providers to enable external NDIS support professionals to enter the service.

Finding 1: There is a current misalignment between elements of the Inclusion Support Program and the Australian Government’s strategic policy objectives and key priorities, in particular supports offered under the NDIS, expectations under the *Disability Standards for Education 2005*, and the aims of Early Years Strategy.

It has also been suggested that despite recent changes to the National Quality Framework (NQF) and the Approved Learning Frameworks (ALFs), inclusion is still seen as a ‘missing link’ in the national ECEC policy discourse, with most of the attention dedicated to issues of affordability and workforce productivity. Recognising current work underway (as identified in section 5.1.1), there may be potential for this to be addressed as part of work between the Australian Government and state and territory governments through the National Vision for ECEC.

Finding 2: Inclusion is not adequately discussed within current national ECEC policy dialogue, and a stronger focus on inclusion may be necessary to support universal access to ECEC in Australia.

Inconsistencies between the ISP and state government-funded inclusion programs have resulted in added complexities for services, with many stakeholders advising that these inconsistencies may in some cases act as barriers to accessing and utilising funding and support.

Recognising the intent of progressing with the National Vision for ECEC and the potential changes to the DSE to include ECEC services, it is suggested that the Department consider how to address these inconsistencies to enable more inclusive educational settings for children.

Finding 3: Discrepancies between eligibility and program requirements across federal and state inclusion programs have resulted in increased complexity and administrative burdens for ECEC services operating across multiple policy jurisdictions.

5.2 Are the original and current policy objectives still relevant?

5.2.1 Findings from the literature analysis

The ISP policy objectives are as follows:

- *To support eligible mainstream ECEC services to improve their capacity and capability to provide quality inclusive practices for all children, to address access and participation barriers*

⁸³ Australian Government, Department of Social Services, *Early Years Strategy* (23 May 2023) <<https://www.dss.gov.au/families-and-children-programs-services/early-years-strategy>>.

and to support the inclusion of children with additional needs, with their typically developing peers

- *To provide families of children with additional needs with access to appropriate and inclusive ECEC services that assist those families to increase their activity including work, study and training.*⁸⁴

Services have access to a wide range of supports through the ISP, however there are some clear challenges that have been identified in relation to the capacity and capability of staff and services to provide quality inclusive practice that aligns with what research indicates is best practice.

In relation to the first objective, there is a lack of overall clarity regarding what constitutes 'typically developing peers'. Without a clear definition of what this means in an ECEC setting, informed by the relevant literature, there is the risk of this objective being interpreted in a multitude of ways by different services. The implications of this are the increased chance of inequitable provisions and placements and the risk of discriminatory practices that do not comply with the requirements of the DDA.

There may be that there is a lack of clarity regarding the definition of inclusion, particularly in relation to ECEC settings and the ISP. The Program captures a wide range of children with 'additional needs'. Given the inherent diversity of Australian children, it could be argued that most children have some form of 'additional need'. Determining and distinguishing what is good quality universal education and care and what is deemed to be specialised and necessary in order for children from particular cohorts to be included remains a challenge, as reported in the literature. Research-informed frameworks such as Multi-Tiered Systems of Support (MTSS)⁸⁵ and Universal Design for Learning (UDL)⁸⁶ (discussed in more detail in Appendix Section E.1) can help to create structure and guidance when determining levels of support required for individual children. There is also a strong case for ensuring that definitions relating to inclusion should be nationally consistent, and where possible, align with legislation and broader education policy and guidance, which may also serve to aid transition from ECEC to school settings.

Aspects of the Program may not be adequately addressing barriers to access and participation in ECEC. As discussed in Appendix E, barriers may be either systemic or societal. Some of these are outside of the remit of the ISP, however, there may be practices within the Program that could be improved or strengthened in order to reduce barriers to inclusion. Several of these are discussed in Appendix E. Opportunities to build service capacity and capability through providing professional learning and development to educators in relation to quality inclusive practice are discussed in Chapter 8. Research clearly indicates that inclusive practice improves when staff have positive attitudes towards inclusion. This can be achieved through targeted training and through positive modelling of inclusive practice from leadership.^{87, 88}

The second objective emphasises the aim of assisting families to increase their activity including work, study and training. While this remains a valid objective in the context of the role of the ECEC system in supporting social and economic participation, tensions arise when the pursuit of this objective is at odds with the achievement of other objectives – principally those related to

⁸⁴ Australian Government Department of Education, Inclusion Support Program Guidelines: Version 2.4 (September 2022) <<https://www.education.gov.au/child-care-package/resources/inclusion-support-program-guidelines>>.

⁸⁵ Petra Kouvonen et al, 'Core elements in a multi-tiered system of support (MTSS) for conduct problems in schools and early childhood education and care (ECEC) in Finland – Literature review and case example' (2022) *Psychiatria Fennica* 76.

⁸⁶ CAST, *The Universal Design for Learning Guidelines* (2018) <https://udlguidelines.cast.org/binaries/content/assets/udlguidelines/udlg-v2-2/udlg_graphicorganizer_v2-2_numbers-yes.pdf>.

⁸⁷ Syeda Kashfee Ahmed et al, 'Teacher professional development for disability inclusion in low- and middle-income Asia-Pacific countries: An evidence and gap map' (2022) *Campbell Systematic Reviews*. <<https://onlinelibrary.wiley.com/doi/full/10.1002/cl2.1287>>.

⁸⁸ Emma Wray et al, 'Factors influencing teacher self-efficacy for inclusive education: A systematic literature review' (2022) 117 *Teaching and teacher education* 1.

children's learning and development. Here, that is less the case as the means through which the objective of increasing activity including work, study and training is pursued in the context of the ISP is via increased inclusiveness, access and support for children with additional needs. Hence, the two objectives sit far more harmoniously than in other policy contexts, such as where activity must be demonstrated to gain access.

The second objective also incorporates considerations of appropriateness. The word 'appropriate' is nuanced and open to interpretation. Families are becoming increasingly aware of their child's right to access and participate in education, yet the challenge remains that some services may perceive that they are not equipped to provide appropriate support for an individual child's additional needs. Instances of 'gatekeeping' (described in Table C.4) remain an issue nationally and need to be addressed so that families are able to engage with their preferred service knowing that their child will be welcomed and feel a sense of belonging. Quality of education and care should also be addressed so that families feel that their child is safe when attending a service.

5.2.2 Findings from stakeholder consultation and ECEC focus groups

All stakeholders and services interviewed were supportive of the broad objectives and intent of the Program. However, all services interviewed raised concerns around how the Program is administered, the eligibility requirements and how the Program is resourced.

Several peak bodies and advocacy organisations identified a lack of clarity in the definitions and language relating to terms such as disability, diagnosis and inclusion. The terms and terminology used in the ISP are open to interpretation, which can lead to confusion and inconsistent implementation.

Stakeholders from disability advocacy organisations argued that the term 'typically developing peers' is not consistent with preferred inclusive language. This term is also confusing given the eligibility for support within the ISP – many children within the ISP cohorts face barriers to participation in ECEC, however their 'development' may not necessarily contribute to these barriers.

Nearly all stakeholders pointed to a perceived misalignment between the expectations on services under the current ISP policy settings and the current realities of the early childhood sector, particularly the current workforce shortages in the sector and the desire to access specialised training when working with children with complex support needs.

Providers and services noted that current application process, in particular documentation requirements, the application timeline and the format of the Inclusion Support Portal, hindered the ability of ECEC services to respond in a timely manner to children attending the service (or seeking to attend the service).

Broad feedback from sector consultations indicated that clearer guidelines are needed around suitable opportunities for inclusion support, with 'case studies' suggested as options for communicating the intent and eligible cohorts for funding to services under the Program.

Awareness and understanding of the Program is perceived to be limited among Australian families. A number of services suggested that the Department review its wording and communication strategy of the Program to families, to ensure that the objectives and intent of the Program are clearer when families support the application process.

5.2.3 Findings from data analysis

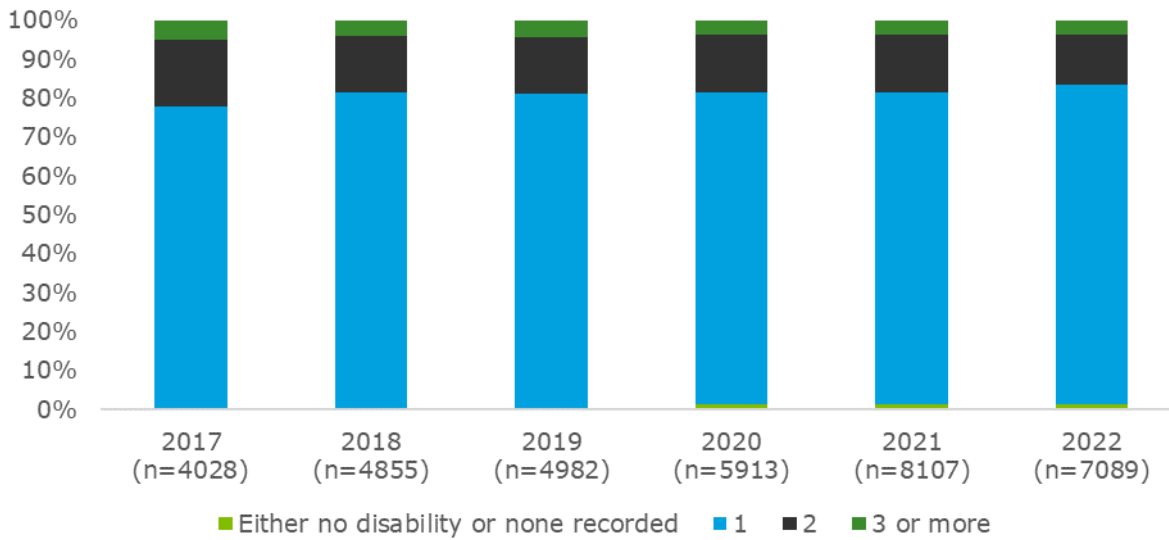
Analysis of program data indicates that while the Program adopts a relatively broad definition of inclusion and additional needs, the types of children receiving funding under the Program are relatively homogenous. Approximately 76% of children⁸⁹ in the Program are reported 'with diagnosis' or 'with diagnosed disability', while another 25% are reported to be 'undergoing assessment' or 'undergoing disability assessment'. Only a relatively small proportion of children are

⁸⁹ Limited to children on a case that has received at least one payment. Covers FY2016 up to date FY2023.

reported with challenging behaviour, serious medical or health condition, or with trauma related behaviours.

As shown in Chart 5.1, nearly all children listed on SIPs are noted as having one or more disabilities. This is despite the Program not explicitly requiring children to have diagnosed disability to access the Program.

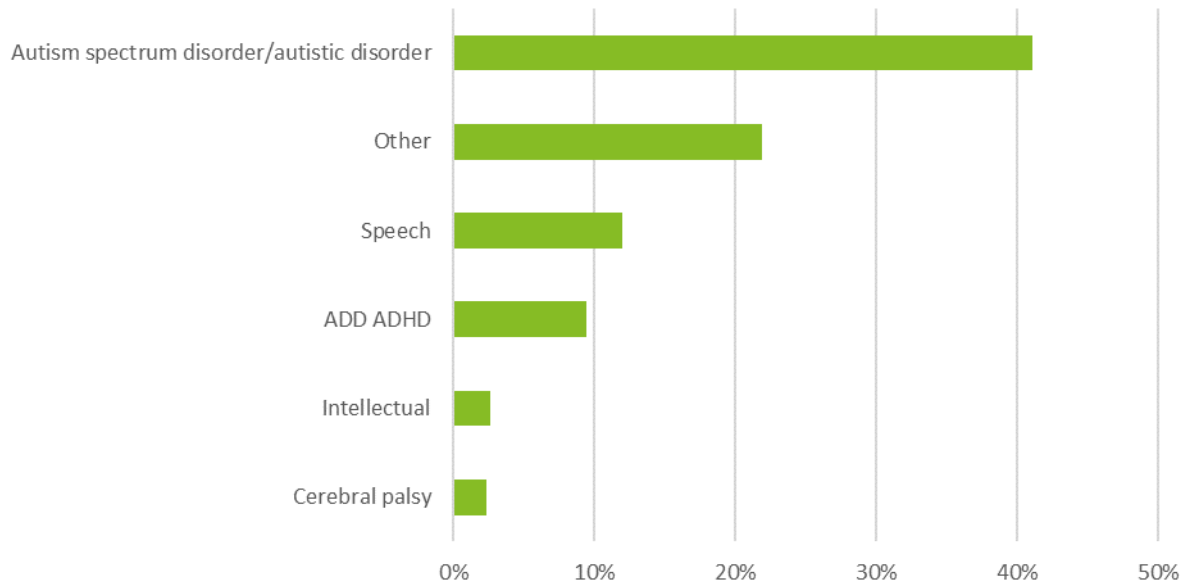
Chart 5.1: Number of disabilities per child, by first year of association with a case payment, FY2017-2022



Source: Deloitte Access Economics, using program data.

When considering the types of disability attributed to Program funding, Chart 5.2 lists autism spectrum disorder (ASD) as the most common condition reported on SIPs (approximately 40% of recorded disabilities), followed by speech-related disorders (approximately 10% of recorded disabilities). There is a considerable proportion of children who are reported to have 'other' conditions. Based on limited documentation for the data, there remains uncertainty around the extent to which 'other' captures other disabilities, or reflects other additional needs of children, or other conditions eligible for the Program (e.g., trauma).

Chart 5.2: Most common disabilities listed, FY2016-FY2023 (to date)



Source: Deloitte Access Economics, using program data.

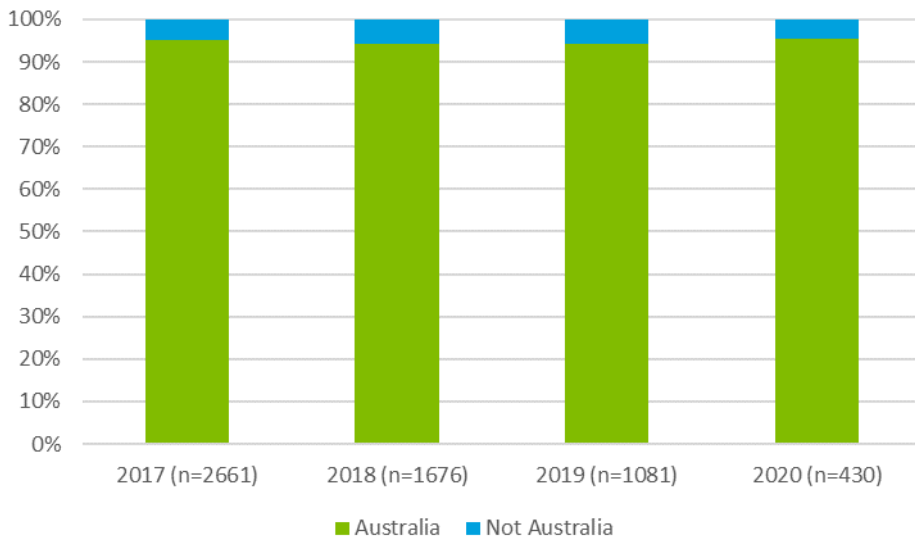
This evidence suggests that while the Program is designed to address a broad cohort of children based on their unique context, a substantial proportion of supports delivered through the Program are being used to enable the inclusion of autistic children. This figure is not dissimilar to the proportion of autistic children who receive support through the NDIS. Currently 55% of children under the age of 18 years old accessing the NDIS have a primary diagnosis of autism.⁹⁰

Considering the substantial amount of resourcing being administered to support services to include autistic children, there may be a case for recognising this more overtly within the Program objectives, supports, guidelines and materials.

While the original program objectives and intent are relevant for supporting the needs of children with additional needs, there may be a case for expanding current program's application requirements to enable a broader recognition of diverse learning needs, while also acknowledging that young children may present with behaviours characteristic of particular disabilities but not yet have a formal diagnosis.

⁹⁰ Samra Alispahic and Andrew Whitehouse, *An autism minister may boost support and coordination. But governments that follow South Australia's lead should be cautious*, The Conversation <<https://theconversation.com/an-autism-minister-may-boost-support-and-coordination-but-governments-that-follow-south-australias-lead-should-be-cautious-188885>>.

Chart 5.3: Share of ISP children by country of birth, by first year of case payment, FY2017-20



Source: Deloitte Access Economics, using program data.

According to the ISP Guidelines, funding under the Program can be used to support children with diverse learning needs, including those from refugee or humanitarian backgrounds who are facing barriers to inclusion in ECEC.⁹¹ Program data collected from 2016-2023 relating to the cohorts of children attracting ISP funding shows that approximately 5% of the Program resources are being administered to support the inclusion of children not born in Australia (see Chart 5.3 above). This is roughly commensurate with the share of children in the 0-4 and 5-9 age range that were born overseas – approximately 3% as at the 2016 Census.⁹²

5.2.4 Findings from publicly available data

Centre-based day care (CBDC)

Considering the publicly available data on ECEC enrolment from the National Workforce Census (NWC), the number of children enrolled in CBDC grew by 15.2% from 2016 (619,357) to 2021 (713,564).

Table 5.1: Growth in cohort enrolment and participation in centre-based day care services (2016 -2021)

Cohort Group	2016 enrolment	2021 enrolment	Change 2016-2021
Aboriginal and/or Torres Strait Islander	17,123	29,908	74.7%
Culturally & Linguistically Diverse (LOTE)	124,236	157,133	26.5%
Disability or Long-term health condition	22,029	41,615	88.9%
Humanitarian / Refugee Background	1,677	3,343	99.3%
All Children	619,357	713,564	15.2%

⁹¹ Australian Government Department of Education, *Inclusion Support Program Guidelines: Version 2.4* (September 2022) <<https://www.education.gov.au/child-care-package/resources/inclusion-support-program-guidelines>>.

⁹² "Australia's Children, Australian Children and Their Families - Australian Institute of Health and Welfare." 2022. Australian Institute of Health and Welfare. February 25, 2022. <https://www.aihw.gov.au/reports/children-youth/australias-children/contents/background/australian-children-and-their-families>.

Source: Deloitte Access Economics, using data from ABS and National Workforce Census (2023). *The enrolment rate for disability being >100% is due to differences in the definition for disability used by the ABS Census versus the NWC.

For all the identified cohort groups who may have additional needs, enrolments grew at a faster rate compared to for all children. Growth has been fastest for children from humanitarian and refugee backgrounds (99.3%). This is followed by children with disability or long-term health condition (88.9%), Aboriginal and Torres Strait Islander children (74.7%) and finally culturally and linguistically diverse children (26.5%).

However, looking at the growth in enrolments alone does not reveal whether the change is driven by an increase in the population or ECEC participation. Consequently, the analysis estimates the enrolment rate and considers the change over time.⁹³

While CBDC enrolments by children from CALD backgrounds grew from 2016 to 2021, the enrolment rate decreased by 9.6%, as the population of CALD children (39.9%) grew at a faster rate than enrolments (26.5%).^{94, 95} This indicates the change in enrolment of CALD children in CBDC has been disproportionate to the overarching increase in the population of CALD children and raises concerns for underlying barriers to accessibility in CBDC for this cohort. Further consideration should be made to support and improve access to CBDC services for CALD children.

Family day care (FDC)

Across the whole population, the proportion of all children enrolled in FDC decreased by 59.1% from 2016 (10.4%) to 2021 (4.2%).^{96, 97} Enrolment rates for children with disability or long-term health conditions decreased at the fastest rate, at 86.4% from 2016 to 2021, followed by children from a CALD background (80.9%) and Aboriginal and Torres Strait Islander children (64.4%).

Table 5.2: Growth in cohort enrolment and participation in family day care services (2016 – 2021)

Cohort Group	2016 enrolment	2021 enrolment	Change 2016-2021
Aboriginal and/or Torres Strait Islander	5,812	2,417	-58.4%
Culturally & Linguistically Diverse (LOTE)	96,330	25,692	-73.3%
Disability or Long-term health condition	5,860	1,018	-82.6%
Humanitarian / Refugee Background	14,818	4,590	-69.0%
All Children	183,015	75,450	-58.8%

Source: Deloitte Access Economics, using data from ABS and National Workforce Census (2023).

The enrolment rate for children from the identified priority cohorts decreased at faster rates compared to the decrease experienced by all children. This suggests that the overall FDC enrolment decrease disproportionately impacted children who may have additional needs. This is a concern

⁹³ The 'enrolment rate' is estimated by dividing the number of children within a particular cohort enrolled in an ECEC service type from the NSW by the population size of that cohort from the ABS Census. Note that as the numerator and denominator come from different data sources, there may be potential misalignments in the definitions.

⁹⁴ Australian Bureau of Statistics, 2016 Census – Cultural Diversity Selected Person Characteristics, [Census TableBuilder] (2016)

⁹⁵ Australian Bureau of Statistics, 2021 Census – Cultural Diversity Age and Sex, [Census TableBuilder] (2021)

⁹⁶ Australian Government, Department of Education, 2016 *National Early Childhood Education and Care Workforce Census* (26 May 2023) <<https://www.education.gov.au/early-childhood/read-data-and-reports/early-childhood-data-and-reports/national-workforce-census/2016-national-early-childhood-education-and-care-workforce-census>>.

⁹⁷ Australian Government, Department of Education, 2021 *National Early Childhood Education and Care Workforce Census* (9 June 2023) <<https://www.education.gov.au/early-childhood/resources/2021-early-childhood-education-and-care-national-workforce-census-report>>.

that is worthwhile investigating and may have several possible explanations including the impact of FDC service closures over recent years, accessibility challenges, preference shifts, or instances of 'gatekeeping'. This indicates potential for further work to be undertaken to investigate the support of FDC services for children from these priority groups.

Outside school hours care

Across the whole population of all children enrolled in OSHC, the change in enrolment rate has been minimal and increased by 4.1% from 2016 (17.0%) to 2021 (17.7%). In contrast, the proportion of children from the identified priority groups enrolled in OSHC decreased over this period.

Table 5.3: Growth in cohort enrolment and participation in outside school hours care (OSHC) (2016 - 2021)

Cohort Group	2016 enrolment	2021 enrolment	Change 2016-2021
Aboriginal and/or Torres Strait Islander	9,888	9,753	-1.4%
Culturally & Linguistically Diverse (LOTE)	35,295	39,555	12.1%
Disability or Long-term health condition	8,760	3,517	-59.9%
Humanitarian / Refugee Background	313	620	98.1%
All Children	299,208	314,100	5.0%

Source: Deloitte Access Economics, using data from ABS and National Workforce Census (2023).

The proportion of children with disability or long-term health conditions enrolled in OSHC decreased by 68.5% from 2016 to 2021. This is followed by children with a CALD background (19.9%) and Aboriginal and Torres Strait Islander children (15.6%). In addition to the decrease in the enrolment rate, these cohorts experienced an overall decrease in the number of children enrolled in OSHC over this period.

While these trends may be attributable to the impact of COVID-19 associated with vulnerability and access to public services, it potentially suggests broader inequities and challenges faced by these cohorts in accessing outside school hours care.

5.2.5 Conclusion

Evidence collected from program data suggests that while the Program is designed to address a broad cohort of children based on their unique context, a substantial proportion of supports delivered through the Program are being used to enable the inclusion of children with disability, particularly autistic children.

Considering the publicly available data above, evidence suggests that children from priority cohorts (i.e., children with identified vulnerabilities or additional needs) experience increased barriers to accessing ECEC in Australia, particularly in the context of FDC and OSHC, meaning the policy objectives remain relevant.

When examining the Program's objective and intent of alleviating these barriers, stakeholders and services were broadly supportive of the objectives and rationale of the Program to support the inclusion of children with additional needs. However, as noted in Section 5.1.4, services and broader stakeholders described the intent of the Program in different ways, with the vast majority of services referring to the Program as a disability program. Key issues were raised relating to how the terms 'inclusion', 'additional needs' and 'typically developing peers' are defined in the Program objectives and guidelines, and the limitations of the current program arrangements.

Finding 4: Despite adopting the relatively broad definition of ‘inclusion’ from the EYLF and not prescribing a specific type of ‘additional need’, the Inclusion Support Program is broadly perceived by the sector as a disability funding program.

5.3 Has ISP demand changed since the introduction of the Program?

5.3.1 Findings from stakeholder consultation and ECEC focus groups

ISP demand has grown significantly in recent years, as evidenced from a range of different sources. There has been an increase in the number of Strategic Inclusion Plans (SIPs) being submitted, resulting in an overall increase in services accessing the ISP.

Feedback from consultations included:

- Inclusion Agencies, the IDFM and large providers highlighted an identified increase in ISP participation across the sector.
- Inclusion Agencies noted a significant shift in the types of supports being provided to services, with services requiring broader supports across a range of themes not traditionally associated with the role of the inclusion agency, such as broader guidance to comply with the National Law and Regulations and providing in-kind emotional and interpersonal support to educators and service management facing day-to-day challenges.
- Services, providers and peak organisations advised of increasing pressure around addressing challenging behaviours displayed by children.
- Services and Inclusion Agencies noted an increase in trauma-related behaviours experienced by children, particularly post-COVID-19 pandemic.

5.3.2 Findings from ECEC sector survey

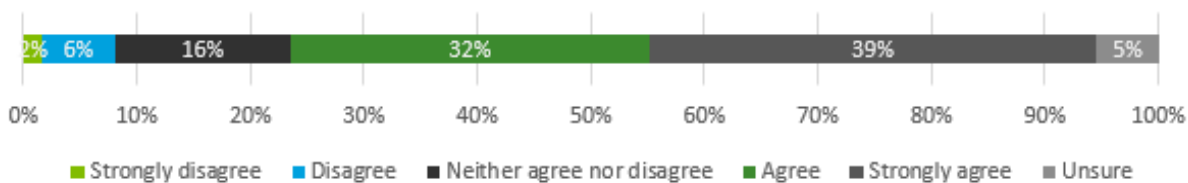
Services indicated through the sector survey that they have experienced an increase in the number of children who display additional needs that require support within their services.

Post-pandemic, services have found that there is an increasing number of children who experience trauma, anxiety, and present with challenging behaviours that require additional inclusion supports. This has increased the demand for ISP supports, particularly for services who have had positive experiences from accessing ISP support. One service noted that:

‘We have noticed over the last two years more and more behavioural issues and anxiety with children off the back of the pandemic and being able to access additional educator support has been extremely helpful.’

Overall, 71% of survey participants agree or strongly agree that demand for ISP supports has increased over time at the service (see Chart 5.4).

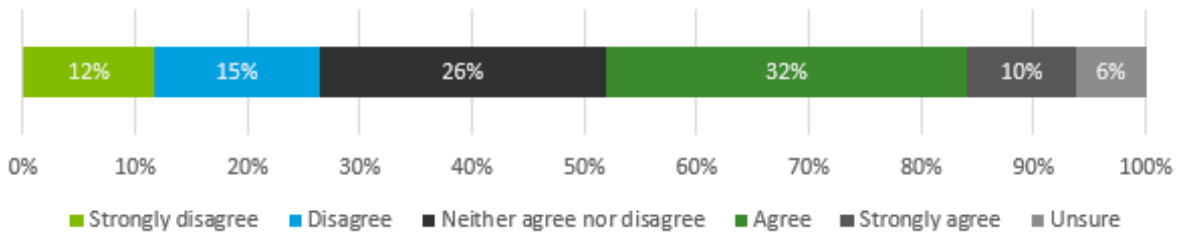
Chart 5.4: Survey participant agreement to ‘Demand for supports provided through the ISP has increased over time at the service’



Source: Deloitte Access Economics, using data from ‘ISP review sector survey’.

Only 42% of survey respondents agreed or strongly agreed that the ISP is able to respond to an increased demand for support at the service if required (see Chart 5.5).

Chart 5.5: Survey participant agreement to 'The ISP is able to respond to an increased demand for support at the service, if required'



Source: Deloitte Access Economics, 'ISP review sector survey'.

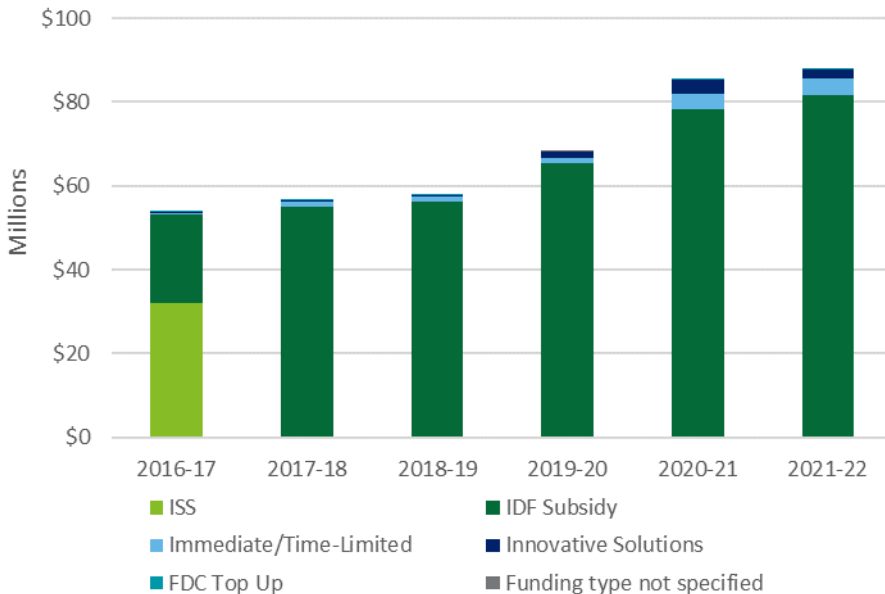
5.3.3 Findings from data analysis

Increasing payments

Total ISP payments have increased over time, from \$54 million in 2016-17 to \$88 million in 2021-22. Over this time there has been an average yearly increase of total payments of 11%.

The IDF subsidy is the most significant component of ISP payments (accounting for an average of 87% of total payments per year over the period). IDF payments have increased by 11% on average since 2017-18 (see Chart 5.6).

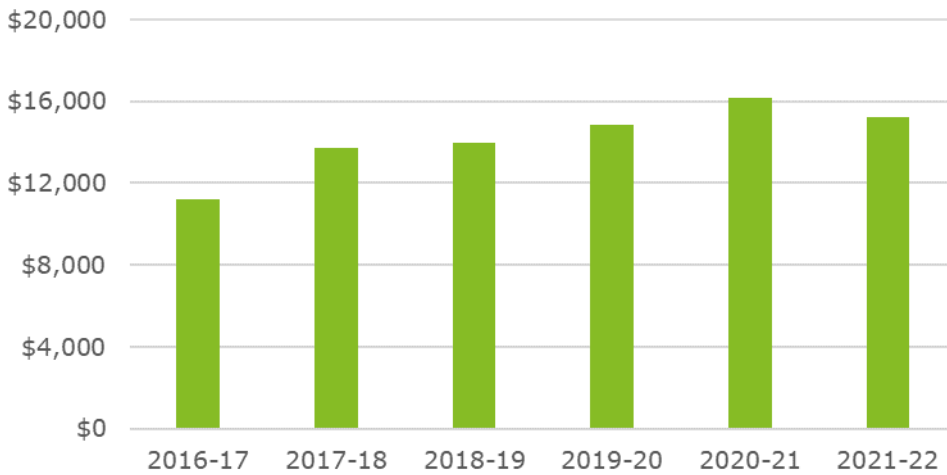
Chart 5.6: Total ISP payments per year, \$million, FY2017-2022



Source: Deloitte Access Economics, from program data

The average annual payment amount received by services has also trended upwards since 2016-17, as depicted below. In 2016-17, services received \$11,200 on average annually, whereas in 2021-22 they received \$15,200 on average annually. When accounting for inflation over the same period, the real payment amount per service has increased by just over 20% (see Chart 5.7).

Chart 5.7: Average amount of payment to services received annually, over time

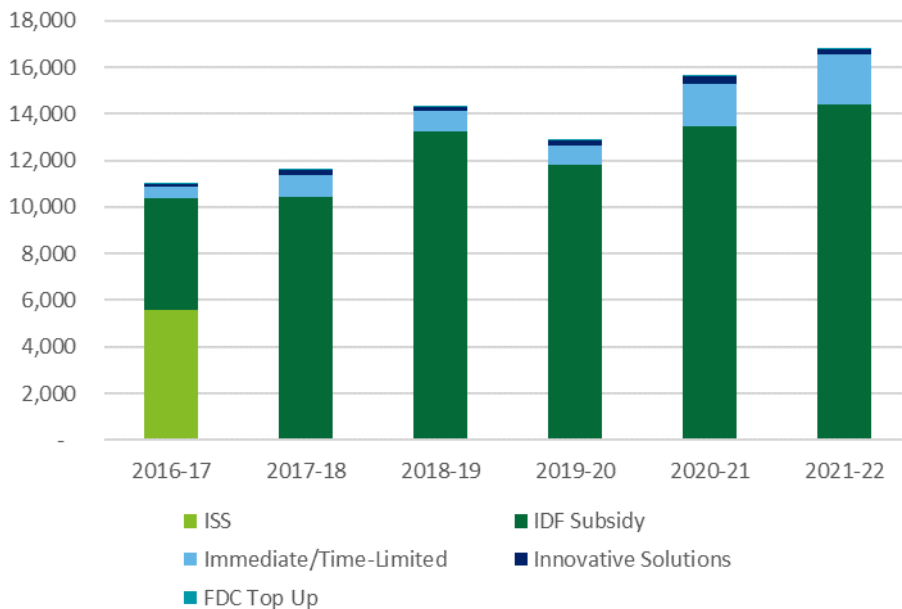


Source: Deloitte Access Economics, using program data

Increasing case load

To understand overarching demand of the Program, time-series data analysis has been conducted using program and publicly available data relating to the number of children with cases approved per year, funding services offered in a given year, and amount of funding provided by the Program per year across the period from 2016-2022 (see Chart 5.8).

Chart 5.8: Volume of cases receiving payment per year, by funding type



Source: Deloitte Access Economics, using program data.

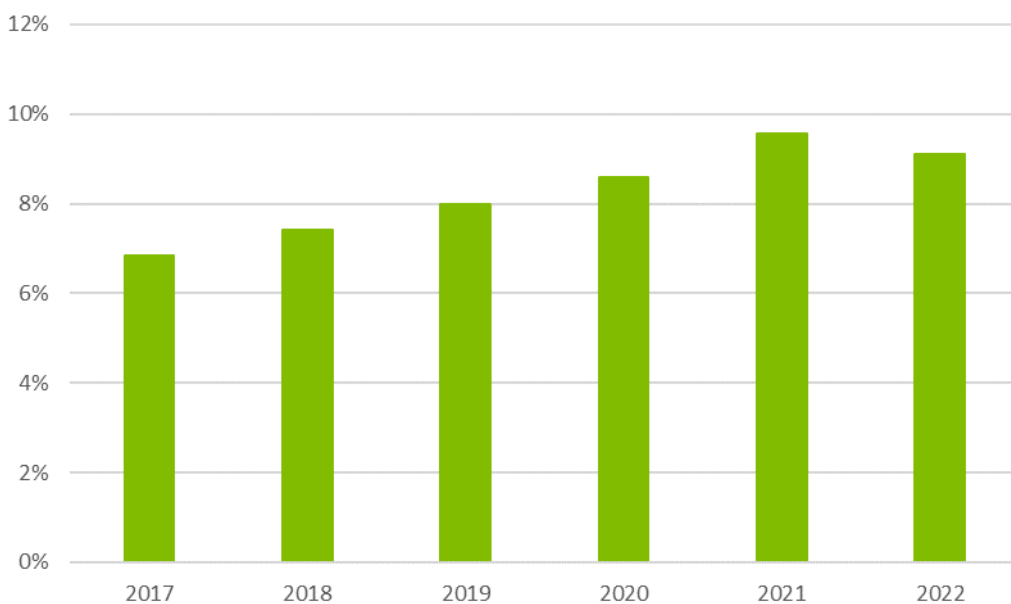
As shown above, program-level data highlights that overall demand for the Program has steadily increased for the Program from approximately 11,000 cases in 2016-17 to 16,800 in 2021-22. Among these cases, the IDF subsidy is by far the most common payment received since 2017-18, with the ISS phased out from 2016-17 to 2018-19.

In particular, the number of cases relating to Immediate/Time-limited funding has increased year-on-year, indicating an increase in demand for more flexible, contextually specific resources and supports outside of the use of an additional educator.

Increasing support for Aboriginal and Torres Strait Islander children

Important to note, the proportion of Aboriginal and Torres Strait Islander children identified for support through the Program has gradually increased from 7% in 2016-17 to 9% of all identified children in funding applications in 2022. For comparison purposes, children from Aboriginal and Torres Strait Islander backgrounds account for 5% of all children in Australia. This may suggest an increase in demand for inclusion supports for Aboriginal and Torres Strait Islander children (see Chart 5.9).

Chart 5.9: Children identified as being of Aboriginal or Torres Strait Islander origin, by first year of association with a case payment, FY2017-2020



Source: Deloitte Access Economics, using program data.

5.3.4 Conclusion

Findings captured in response to this research question indicate a notable increase in demand for the Program.

Sector survey data indicates that the majority of services (71%) agree or strongly agree that the demand for ISP supports has increased over time. Concurrently, analysis of program data shows a steady increase in the overall demand for the ISP, from about 11,000 cases for support in 2016-17, to 16,800 cases in 2021-22 – an annual growth rate of 11%. There has been a proportional increase in demand for supports through the program for Aboriginal and Torres Strait Islander children.

Finding 5: There has been an overall increase in services accessing the ISP since 2016, including an average yearly increase of total payments of 11%.

Inclusion Agencies (IAs) noted increasing workloads through additional engagement with services. The increase in demand for this type of service is suggested to be driven by both (a) an increase in SIPs which resulted in a greater awareness of local service needs and (b) broader quality-focused elements of the NQF and guidance on service management outside the scope of the ISP.

Finding 6: The IDFM and Inclusion Agencies have faced an overall increase in demand for inclusion support, due to increased number of services accessing the Program, a shift in the types of supports being provided to services, and broader/more complex supports requested by services.

Services and Inclusion Agencies reported an increase in the number of children displaying challenging and trauma-related behaviours, particularly in the aftermath of the COVID-19 pandemic.

Finding 7: Services and Inclusion Agencies recorded increasing pressure regarding challenging behaviours as well as trauma-related behaviours, noting this growth post-COVID-19 pandemic.

5.4 What, if any, amendments to the objectives would enable a more effective response to ISP demand?

5.4.1 Findings from stakeholder consultation and ECEC focus groups

When asked whether amendments to the objectives would enable a more effective response to ISP demand, stakeholders advised they broadly supported the current objectives of the Program.

Following these comments, every sector stakeholder, provider and service advocated for changes to the Program guidelines around documentation, administrative requirements and overall resourcing to enable a more effective response to demand.

Key points of feedback:

- Nearly all stakeholders noted frustrations around the Inclusion Support Portal. These were largely focused on navigation within the Portal and the complex user experience in pages requiring text input.
- Providers and services highlighted that current application process, including documentation requirements, the application timeline and the format of the Inclusion Support Portal, reduced the ability of ECEC services to respond in a timely manner to children attending the service.
- Providers and services noted that the funding requirements for supports under the ISP are confusing and challenging to navigate. Furthermore, requirements around attribution of funding to attendance records is a particular concern for OSHC providers who noted the unique context of children's attendance in before- and after-school care programs compared to other ECEC service types. This is due to circumstances in which the provider had arranged an additional educator to work over particular shifts, however care is not provided due to the parent or carer cancelling the OSHC booking at the last minute.
- Providers face financial burdens when participating in the ISP, due to the out-of-pocket expenses associated with employing an additional educator and the relative time of the application process from the identification of a child at enrolment to the receipt of funding following application approval.
- Extended waiting times for funding approval was a common theme reflected in the sector survey, with one respondent noting:
 - "Waiting times for funding approvals- Centres having to self-fund an additional educator for 16+ weeks now..."
- Providers and peak bodies noted that time-limited funding provided under the IDF is also not responsive enough to ensure that services are guaranteed funding to support a child with adjustments at their point of enrolment in an ECEC service.
- Services noted that the most valuable element of the Program related to their engagement with Inclusion Professionals (IPs) provided through the Inclusion Agencies and would prefer the Program to offer increased training and day-to-day support through these professionals.

5.4.2 Conclusion

This research found limited evidence to suggest that changing the specific objectives of the Program would result in a more effective response to ISP demand.

Conversely, stakeholders are largely supportive of the broad nature of the Program, however are seeking changes to the program's eligibility, application and funding requirements to increase the responsiveness of supports.

5.5 How well does the ISP align and/or interact with other government programs targeting similar objectives, participants or activities?

5.5.1 Findings from stakeholder consultation and ECEC focus groups

Stakeholders suggested that the ISP is not adequately connected to nor aligned with other government programs targeting similar objectives.

In particular, key feedback noted:

- Inconsistencies between the ISP and state government-funded programs and initiatives, which could impede the integration and effectiveness of these respective programs for services
- Inconsistencies of funding and supports between ECEC (through the ISP) and inclusion supports offered under school funding models. This discrepancy is most present when children transition to-and-from before and after school care (OSHC) in school settings
- Peak bodies, services, researchers and inclusive education experts suggested future models whereby a coordinated response between family, service, state government agencies, NDIS and community organisations is developed to address the comprehensive needs of children with additional needs
- Stakeholders and services noted that there is little-to-no intersection between the ISP and supports provided under the NDIS and would like to see funding across these programs be more flexible to enable further inclusion. Some stakeholders noted that the ISP and NDIS supported different objectives, with the ISP focused on building inclusive practices and the NDIS focused on individualised supports
- Some stakeholders identified opportunities to link participation or engagement with other government programs, such as Out of Home Care (OOHC), as an 'identifier' to enable automatic funding under the ISP, recognising the inherent vulnerabilities of being in those child cohorts.

5.5.2 Findings from ECEC sector survey

From the ECEC sector survey, it is evident that services tend to interact with the NDIS for children with disability. General sentiment across the survey shows that services feel that the ISP could better collaborate and potentially integrate with NDIS services to better support the needs of a child while they access similar supports from a different program.

Services suggest that bridging interactions between ISP and NDIS would reduce time spent on administrative applications and wait time for funding to streamline the experience for families and services where there is an overlap of paperwork between the ISP and NDIS. Services noted that:

'Personally I feel additional funding for extra educators should be somewhat linked to a child's CCS/family or NDIS to allow the families to more easily access services and have more support for their children to attend early childhood services.'

'Provide access to ISP for children that have special needs and are on waitlists for specialists or awaiting NDIS approval.'

There is a desire across services for more allied health teams to support the inclusion, wellbeing, and experience of children while in their services. Services have stated that:

'I feel that we need more allied health teams across Australia to really support children's agency and to have a quicker process of being able to put steps and measures in place for

assistance of ISS workers within ECEC services, and for more training opportunities for families for early intervention.'

'Making occupational therapists (OTs), speech, psychologists etc more accessible to families and have opportunities to bring them into services allows a more united front to support the child and provide extra support before diagnoses.'

ECEC services have recognised that their ability to improve inclusion and better meet the objectives of ISP to benefit all children would benefit from introducing specialised and trained professionals to work with service staff and children to build capabilities and confidence.

There is a desire for greater interaction with qualified and trained professionals such as occupational therapists, speech therapists and inclusion specialists to work alongside services to develop strategies and approaches to improve care and inclusion for children to better meet ISP goals.

'Access to allied health professionals such as OTs, Speech therapists, etc even if this was a phone service where educators could ask questions and seek advice and individualised strategies to support children'

ECEC services have also indicated a desire for better collaboration and streamlining between services to improve transition processes that children experience, particularly interactions with outside of school hours care (OSHC) care services. Often, services note that there are discrepancies between the level of ISP support they receive as they transition across different services. One service stated that:

'A child with additional needs, at school, can have integration aid funding linked to support the class and the specific child, but when they arrive the OSHC (outside school hours care) they have no funding support if application is declined.'

5.5.3 Conclusion

The ISP is not adequately aligned with other government programs targeting similar objectives, participants and activities. More specifically, stakeholders and services pointed to inconsistencies in support between the ISP and state ECEC and school funding models for inclusion, as well as limited consistency and complementarity between the ISP and supports provided under the NDIS.

Finding 8: Eligibility requirements and support provided to children with disability and/or additional needs are inconsistent across different government programs that target similar objectives, participants and activities.

Furthermore, sector consultation highlighted that there are limited opportunities for sharing information about children with additional needs that are also accessing other government services (at a state and federal level). Feedback from stakeholders and services has called for future models to be built through a coordinated response between services, families, inclusion professionals and early intervention specialists to address children's comprehensive needs.

Finding 9: There are no identified data linkage arrangements between ECEC services and other government programs and initiatives supporting children experiencing vulnerability and/or additional needs.

5.6 Related opportunities

These findings have supported the development of a range of short- and medium-term opportunities detailed in Chapter 8. The longer-term opportunities in Section 8.7 outline potential approaches and processes that could strengthen the link between the ISP and other similar government programs, making for a more cohesive and streamlined provision of support for families.

In the short-term, there is an opportunity to establish, clarify and communicate the intent of the Program and strengthen collaboration between jurisdictions.

- Further communicate the intent of program to providers, services and families through a targeted communication strategy (Opportunity 1)
- Strengthen and where necessary establish collaborative working channels between the Australian Government, states and territories and Inclusion Agencies (IAs) to identify and address barriers to inclusion across the ECEC system (Opportunity 2)

In the medium-term, there is an opportunity to pursue a national commitment to inclusion in ECEC more broadly, moving beyond the parameters of the Program.

In the longer-term, it is suggested that the Department collaborate with other agencies and relevant bodies to develop a coherent approach to supporting inclusion in the early years which encompasses a range of policy approaches (Section 8.7).

6 Program design and effectiveness

Research questions for Theme 2:

- *Is the Program design the most effective way to build the capacity and capability of ECEC to support the inclusion of children with additional needs?*
- *Are there emerging issues that might limit the achievement of intended outcomes? If so, what actions are being taken to address them?*
- *How do its outcomes compare with similar programs elsewhere, or with alternative ways of achieving the same outcomes?*

This chapter considers the effectiveness of the Program's elements, including unintended consequences of current program implementation. It addresses each research question individually, reflecting, as applicable, on the findings from the literature across this report, consultations, survey and data analysis, before arriving at an overarching conclusion and set of findings.

6.1 Is the Program design the most effective way to build the capacity and capability of ECEC to support the inclusion of children with additional needs?

6.1.1 Findings from the literature analysis

For the purposes of this review, capacity and capability have been defined as follows:

Capacity refers to the ability of the ECEC service to enrol children with additional needs, including ensuring adequate supervision of all children (under the National Law) and ensuring the physical environment, furniture and centre resources are appropriate and fit-for-purpose (e.g., relevant educational resources and supports).

Capability refers to the level of skills, knowledge and attitudes held by staff/ECEC service to support the needs of children with additional needs.

One of the ISP objectives is to build capacity and capability in quality inclusive practices for all children, to address access and participation barriers and to support the inclusion of children with additional needs, with their typically developing peers. The Program itself has many strengths, yet there are areas that can be further bolstered.

Firstly, services need to understand their legal responsibility to provide appropriate education and care for children of all abilities. The review of the DSE in 2020 found that there is need for services to build knowledge and understanding of the DDA⁹⁸. This has direct implications for the enrolment of children with additional needs, particularly in relation to making reasonable adjustments and having an understanding of unjustifiable hardship. There is scope for capacity of ECEC services to be developed further to align with the DSE once they apply to ECEC.

A second issue that features predominantly in research relating to inclusion is that barriers to inclusion can be addressed through building service capacity and through building the capability of

⁹⁸ Australian Government Department of Education, *Final Report – 2020 Review of the Disability Standards for Education 2005* (12 March 2021) <<https://www.education.gov.au/disability-standards-education-2005/2020-review-disability-standards-education-2005/final-report>>.

the workforce. As discussed in Appendix E, effective inclusive practices can be developed through training and ongoing professional development and learning opportunities. Focusing on building positive attitudes to inclusion and supporting leadership to model and drive improvements in inclusion are two key approaches that are well-supported by research.^{99,100}

A further opportunity to build capability is available through access to specialist equipment to facilitate inclusion for children with disability and additional needs. The Specialist Equipment Libraries delivered through state and territory Inclusion Agencies are an example of how services can currently access equipment to support inclusion. This initiative loans specialist equipment to services to facilitate inclusion. It may be helpful for there to be a range of case studies available to ECEC services showcasing successful interactions with the library, given some educators may not be aware of how the equipment could be used to support a child with additional needs.

Through the ISP, services also have access to an Inclusion Professional who is able to provide advice and support to help services improve their capacity and capability in inclusive practice and address barriers to inclusion for children with additional needs. Support provided by Inclusion Professionals is intended to be responsive and reflecting the context and needs of the services and children being cared for. Literature supports the notion that inclusive practices are strengthened through access to relevant training, observation and modelling. Modelling the effective use of specialist equipment is one such way to build capability of educators.

Second, with regards to capability, knowledge, skills and understanding of educators can be built through access to professional learning and development. A combination of approaches can be explored when building capability, including having access to an 'expert' educator who can advise of effective inclusive approaches and practices. Consideration could be given to reimagining and empowering the role of the Inclusion Professional so as to include the delivery of professional learning and development programs to services, given there is a significant literature base that shows that inclusive practice is bolstered through training. Although training requirements within staffing qualifications fall outside the policy remit of the ISP, setting minimum requirements in undergraduate training regarding content related to inclusion may be beneficial in developing more inclusive cultures in ECEC services.

Finally, inefficiencies in the design of the Program may impact on the capacity of services to include children with disability and additional needs. Consideration should be given to the ecosystem within which ECEC services operate, using a theoretical underpinning as a guide, such as Bronfenbrenner's bioecological model (as described in Appendix section C.1.2).¹⁰¹ This may help to clarify the importance of placing the child at the centre of wrap-around services and supports, whilst recognising the broader systems impacting on the child's inclusive experience in ECEC.

In the context of early intervention within educational settings, wrap-around supports refer to the provision of support to a young person with complex needs taking a team-based planning process incorporating community-based care.¹⁰² Due to wrap-around support being team-based, working with other agencies and with the child's family is crucial.¹⁰³ Capability building through the Program may also be impacted by the complexity of the Program. Aspects of the Program could be consolidated and synthesised with broader operations of the service (e.g., amalgamating elements of a service's ISP and QIP). As mentioned above, a conceptual framework model such as a systems framework may be beneficial in ironing out some of these challenges given systemic approaches can support more coherent and effective systems and programs. One example of an effective

⁹⁹ Syeda Kashfee Ahmed et al, 'Teacher professional development for disability inclusion in low- and middle-income Asia-Pacific countries: An evidence and gap map' (2022) *Campbell Systematic Reviews*. <<https://onlinelibrary.wiley.com/doi/full/10.1002/cl2.1287>>.

¹⁰⁰ Emma Wray et al, 'Factors influencing teacher self-efficacy for inclusive education: A systematic literature review' (2022) 117 *Teaching and teacher education* 1.

¹⁰¹ Joanna Anderson et al, 'The Ecology of Inclusive Education: Reconceptualising Bronfenbrenner' in H. Zhang et al (Eds.), *Equality in Education: Fairness and Inclusion* (Sense Publishers, 2014) 23.

¹⁰² Iva Strnadovaet al, *Education-Centred Formal Wraparound Services in Support of School-Aged Students with Complex Needs. Grey Literature Review - Project Report* (2019) <<https://www.gie.unsw.edu.au/sites/default/files/documents/Gray%20Literature%20Review.pdf>>.

¹⁰³ Ibid.

approach to integrating services and providing a single point of contact for families is the Aboriginal Child and Family Centres (ACFC) model adopted in NSW. Recognising the needs of children at the centre, ACFCs deliver a multi-faceted approach to early intervention and child wellbeing through delivering a range of services, such as early childhood education, family support and counselling, maternal and child health clinics, playgroups and broader adult education.

In advocating for these services, SNAICC note:¹⁰⁴

"As a trusted 'one-stop shop' for Aboriginal and Torres Strait Islander families who would otherwise be unlikely to access any other service supports, ACFCs have a significant impact in improving the safety, health and wellbeing of families and communities. ACFCs are uniquely placed in their delivery of culturally strong services, designed in a manner where a focus on the employment and training of local Aboriginal and Torres Strait Islander staff further facilitates the sustainability and empowerment of local communities."

Effective use of additional educator

Staffing issues are likely to impact on how effective a service is at including all children. For example, the provision of an additional educator, although intuitively may appear to be helpful in including a child, may in fact have the opposite outcome. Through research relating to paraprofessional (teacher assistant) support for students with disability in schools, literature shows that students are often isolated, have reduced access to quality instruction from qualified educators, and have fewer opportunities for peer connection when provided with support from a paraprofessional. Contrary to what would be anticipated, an additional educator may become a barrier to, rather than a facilitator of, inclusion (see Appendix Section E.5).¹⁰⁵ Research has shown that the effectiveness of additional supports can be enhanced through effective deployment of the paraeducator by the more highly qualified educator.¹⁰⁶ Although there is no literature that provides similar insights into the effects of providing one-to-one (or close to) support from an additional educator for children with disability in ECEC settings, it could be assumed that the outcomes may be similar.

6.1.2 Findings from stakeholder consultation and ECEC focus groups

Stakeholders and services noted broad concerns in relation to the Program design and its ability to build the capacity and capability of ECEC to support the inclusion of children with additional needs. These concerns related in part to the nature of the funding, support and resources provided and partly to the processes governing the Program.

Feedback included:

- Providers and services noted that current application process, in particular documentation requirements, the application timeline and the format of the Inclusion Support Portal, impacted the ability of ECEC services to respond in a timely manner to children attending the service (or seeking to attend the service)
- Broad feedback suggested that work is needed to enhance the Program's relevance, effectiveness and ability to address the unique challenges and priorities of early childhood development
- Providers and services noted that the application process is a key concern when discussing the Program. Nearly all stakeholders noted particular frustrations around the Inclusion Support Portal, however these were largely focused on how users are required to navigate across a number of pages in the Portal when inputting information.

¹⁰⁴ SNAICC, *Aboriginal and Torres Strait Islander Child Family Centres: Changing futures with our children*. NSW Profile (May 2018) <https://www.snaicc.org.au/wp-content/uploads/2018/05/NSW_ACFC_Profiles_Report%E2%80%93May_2018.pdf>.

¹⁰⁵ Michael Giangreco, 'Maslow's Hammer: Teacher Assistant Research and Inclusive Practices at a Crossroads' (2021) 36(2) *European Journal of Special Needs Education* 278.

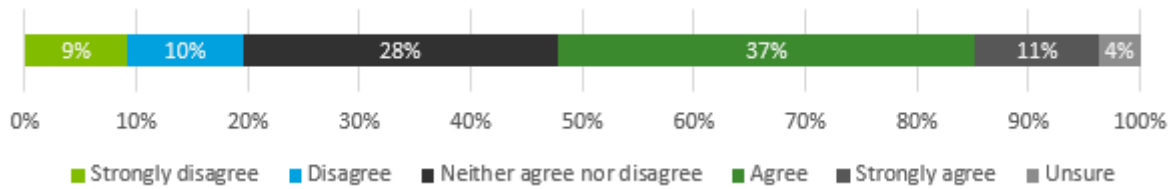
¹⁰⁶ Robert Webster et al, 'The Wider Pedagogical Role of Teaching Assistants' (2011) 31(1) *School Leadership & Management*, 3.

- Services and providers noted that schools and other inclusion support offerings provided by state governments (e.g., NSW, QLD) did not require documentation of diagnosis, but rather adopted a model of imputed disability. Some services recommended that Inclusion Agencies (IAs) adopt a more substantial role through observing the need for adjustments, rather than requiring diagnosis the key form of evidence.
- Services raised key challenges in relation to the time required to complete the application process, with many focus group participants advising that they completed applications for funding “out of hours” (i.e., unpaid hours) and that the process reduced time that service directors could spend on the floor.

6.1.3 Findings from ECEC sector survey

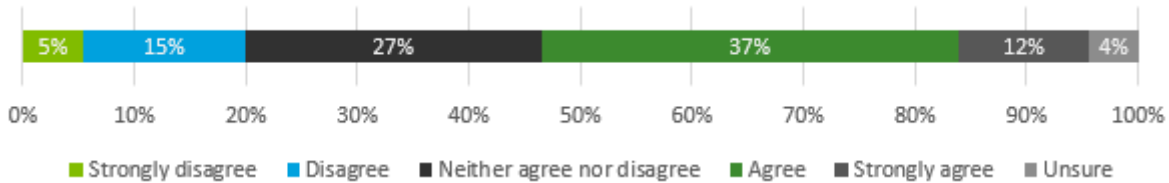
Survey responses indicate that 48% of services agree or strongly agree that the ISP builds their capability and 49% of services agree or strongly agree that the ISP builds the capacity of their service (as shown in Chart 6.1 and Chart 6.2 below). There is a stronger agreement from LDC services compared to OSHC services with respect to this.

Chart 6.1: Survey participant agreement on 'The ISP is able to build the capability of the service.'



Source: Deloitte Access Economics, using data from 'ISP review sector survey' (2023).

Chart 6.2: Survey participant agreement on 'The ISP is able to build the capacity of the service.'



Source: Deloitte Access Economics, using data from 'ISP review sector survey' (2023).

Specific aspects of the Program design that survey respondents mentioned are effective in supporting inclusion included:

- additional educators
- inclusion support from IAs
- specialist equipment library
- innovative solutions funding
- strategic inclusion plans (SIPs)
- time-limited funding.

Services suggested changes to the program design that would boost their efficacy in building capacity and capability within their service, including changes to additional staff support, professional learning and development, application processes and collaboration across relevant programs and trained specialists/professionals.

Additional educators

Across services, there is strong sentiment that additional educators provide valuable all-round support for children and staff in services as they are able ease the pressure on other staff and assist with the needs of children, increasing the educator-to-child ratio in the care environment.

Smaller groups were noted as allowing for a more encompassing supervision to facilitate inclusive relationship building and collaboration between children. Additional educators were highlighted as helping to establish and maintain routines for children, freeing up time for other staff to prepare additional resources to support learning environments. Survey respondents commented:

'Additional educators... increases supervision levels for all children it all helps educators to engage closely with all children or provide opportunities for them to prepare additional resources to set up a particular experience which will extend on the needs, knowledge and skills of the children.'

'Being able to utilise an additional educator has played a vital role in facilitating the inclusion of children with additional needs in the learning environment of the service.'

Survey respondents noted that while IDF funding assists services in employing additional staff, the level of funding is inadequate in supporting them to hire additional educators. Some services indicated that competent and qualified educators are difficult to hire:

'The biggest barrier for the services is the IDF funding hour rate is not enough to cover the current support educators' wages, for example, for a certificate III educator's (Minimum qualification) hour casual rate is over \$30 already but funding hour rate is only around \$22.'

'Increase additional educating funding to allow for more experienced and qualified educators - the current funding doesn't even cover an unqualified educator's wage'

Some services reported that they had considerable out of pocket costs when employing additional educators which is at times a deterrent from enrolling children with additional needs:

'there remains a gap between the subsidy levels and staff salary rates which must be self-funded by a service, which is achievable by our service but may cause a barrier to some other service's access.'

'we are having to bridge the gap in funding ourselves so we don't exclude our children with additional needs. This is not sustainable and I am actually at the point of giving up the service and handing my small family run business over to a large provider.'

One survey respondent commented that they knew of instances where families had been asked to subsidise the funding gap between the ISP contribution and the wages of the additional educator:

'Some centres have asked families to pay the gap fees to have extra support educators as I know, which I think is another burden for families as they have to pay CCS gap fees and IDF gap fees.'

Services suggested that increasing funding for more additional educators across a full day of care would better assist services to build capacity and capability to assist staff to support the inclusion needs of more children.

There is broad consensus across services that there is an increasing need and demand for more staffing as there is growth in enrolment for children with inclusion needs within their services.

Services found that the limited funding accessible for staffing and restrictions on staffing hours restrict the capabilities of services to adequately support children and their inclusion needs. This has resulted in some services turning away enrolments due to lack of capacity to adequately supervise and support children and their needs. A service stated that:

'The number of children wanting to enrol with additional needs has also grown but due to the limited number of hours given and additional staff, it is not sustainable to enrol all the children, especially when there are a high number requiring very close supervision and support...'

Further, several services expressed that restricting the number of additional educators within a service restricts their capacity and capability to deliver an inclusive environment for all children.

'The belief of 'sharing' additional workers for children with additional needs who require a lot of support to be included in early childhood services is not always practical and means other children who should be benefiting from extra support are not.'

'We can't have funding for additional staff as technically we are over ratio, however our children require one on one care and although we are over ratio, an extra hand will mean these children will get the additional support they need.'

More broadly, some survey respondents suggested that increasing remuneration and lifting restrictions on staffing ratios would facilitate better capacity and capability building within services to promote inclusion, as well as better attract and retain qualified educators to the ECEC sector more broadly.

Opportunities for professional learning and development

There was broad agreement and significant support across survey respondents for more opportunities for inclusion-focussed professional learning and development through targeted training sessions or resources to increase knowledge, skills, and approaches to promoting inclusion.

Services suggested a knowledge sharing 'hub' or 'base', through a website or webinar would connect services and create opportunities for services to learn of real-life examples in which inclusive practice approaches have worked. Several survey respondents noted that having these opportunities to learn would better support children and their additional needs. Further sentiments are indicated below:

'Provide funded professional development for educators regarding useful topics such as neurodiverse children, how to safely de-escalate heightened children, how to safely respond to violent children, how to support children who have experienced trauma, etc. Our qualifications are not designed to make us specialists in supporting children with additional needs and our wages are not high enough for us to have to fund this ourselves, nor should this cost be passed on to parents who are already struggling financially.'

'Provide targeted knowledge to ECEC educators on child brain development, ASD, ODD, Types of delays, SPD (naming just a couple), what to expect and how to deal with them objectively and professionally, dealing with personal biases and approaches to cultural assumptions etc.'

'I'd love to see a monthly webinar on something like a strategy of the month where educators could watch other educators and inclusion professionals chat about their success with inclusion practices - our educators need to believe there are wins out there - the ISP office has this pool of real life examples and we never hear about them.'

'More training opportunities for Educators to learn how to better support inclusive practices.'

'The Australian Government can increase the inclusion of children with additional needs in ECEC settings through additional staff training, and workshops to cover new strategies and explore different solutions.'

'Make additional training for educators accessible - subsidised costs, offered at various times of day and offered in short bursts to minimise the impact on staff ratios required on the floor.'

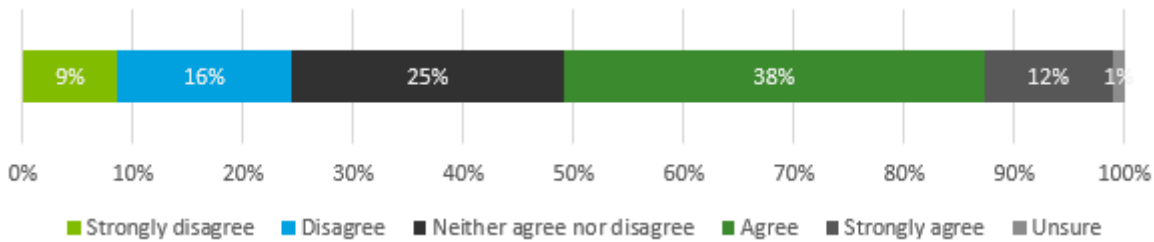
ECEC services also expressed desire for greater collaboration with families regarding support services and accessibility to support for eligible children:

'I believe there are children in our services that are not receiving the support they need because they don't have a diagnosis or families are hesitant to acknowledge that their child requires extra support.'

'Involve the families and ask their opinion what are the best methods to deal with their kids, families should have access to read the information about inclusion support.'

Chart 6.3 shows that only half of survey respondents agreed or strongly agreed that educators and service staff have the required knowledge and skills to provide support for children with additional needs. Services suggested that introducing opportunities for inclusion-focused professional learning and development would boost the skills and confidence of the ECEC workforce.

Chart 6.3: Survey participant agreement to 'Educators and service staff have the required knowledge and skills to provide support for children with additional needs.'



Source: Deloitte Access Economics, using data from 'ISP review sector survey' (2023).

Allied health collaboration

Services expressed a desire for collaboration with allied health that wrap-around a child to better support effective the capacity and capability inclusive support within services and support the child.

'I feel that we need more allied health teams across Australia to really support children's agency and to have a quicker process of being able to put steps and measures in place for assistance of ISS workers within ECEC services, and for more training opportunities for families for early intervention.'

Inclusion professionals

Services largely expressed positive feedback about their Inclusion Professional (IP) and Inclusion Agencies (IAs) and suggested more on-site IP support and face-to-face visits to enable more reflective approaches to inclusive practice and opportunities to embed IP knowledge and expertise into their learning environments. IPs are noted to have expertise and knowledge that can assist service staff in finding approaches to build effective inclusive practices within their service.

Responses from the sector survey included:

'ISP workers will normally provide staff with research or resources to better support the inclusion of children with additional needs.'

'Having long standing relationship with our Inclusion Support Personnel is mainly the most effective aspect in supporting the inclusion of children with additional needs in our service.'

'I have noticed over the years that there are not as many visits from ISP to our rural service.'

'Sometimes getting the IP out is a barrier as they are limited on their availability'

'Through their visits I have gained new perspectives on what inclusive practice looks like, with the NQF as a reference point, and been able to learn many practical strategies that not only helped to settle a child with additional needs but helped to develop a more inclusive environment for all children; like using visual cards to show the daily schedule and communicate key transition

times and using Social Stories to help children practice language for joining play, negotiate conflicts, take turns, ask for help etc.'

Services noted that IPs are critical to the Program in bringing in their knowledge, skills and expertise to support services to improve their quality of inclusive care for children, as well as provide administrative guidance in navigating the ISP resources and application process.

Application process

There has been significant consensus across services through survey feedback that the application process is complex, challenging to navigate and time consuming for service staff.

Survey feedback reiterated that the time commitment required for paperwork and accessing the Portal, particularly during periods of low staffing, serve as major barriers to accessing ISP support. Services noted that Inclusion Professionals at times assisted services to prepare documentation and navigate the Inclusion Support Portal, beyond the intended scope of their roles.

'The inclusion support professional does an absolute amazing job at assisting however, if the Portal became more user friendly I am sure they would gain more time to focus elsewhere.'

'I think it just takes a long time to get the funding up and running, and the ongoing documentation is time consuming, when were already under the pump.'

Services suggested improvements to the application process to be made by streamlining it to make it more user friendly and less time consuming. Additionally, respondents suggested that guidance and assistance in the application process would aid services to access ISP support to better build capacity and capabilities for inclusive practices. Services noted that this would reduce time staff spend on administration and allow for more time capacity on building and implementing inclusive practices within their service.

'By simplifying the application process and shortening the application time, families can receive the necessary support and services more quickly, which can lead to better outcomes for children with additional needs.'

'A lot of the focus is on the wording and semantics of the application process'

'This could involve streamlining the application process to make it more user-friendly and accessible, reducing the amount of paperwork required, and providing more support and guidance to families who may be unfamiliar with the process.'

'Onerous ISP submissions, that require specific wording it's just red tape to cut through to get the support the children need'

'It takes too long to access funding for a support educator and all children miss out during this length of time from quality care. As there are so many more children with additional needs requiring care this process must be reviewed to make it easier for people to apply and navigate so staff are not getting burnt out or stressed and most importantly that all children can get all their needs met in a timely manner.'

Reliance on diagnoses

Services expressed that a reliance on formal diagnosis for funding eligibility is a limiting feature of the Program's design that restricts the ability of services to support children with additional needs in a timely manner. Services pointed to different challenges when retrieving diagnoses as described below:

'The fact that many children who need support do not have a diagnosis due to their age and the length of time it takes to get a diagnosis but the educators are needing support to help these

children and by the time help arrives the educators have often worked out a way around the issues.'

'I believe there are children in our services that are not receiving the support they need because they don't have a diagnosis or families are hesitant to acknowledge that their child requires extra support'

'When looking at what constitutes 'additional needs', recognition that not all children with additional needs will necessarily have a diagnosis'

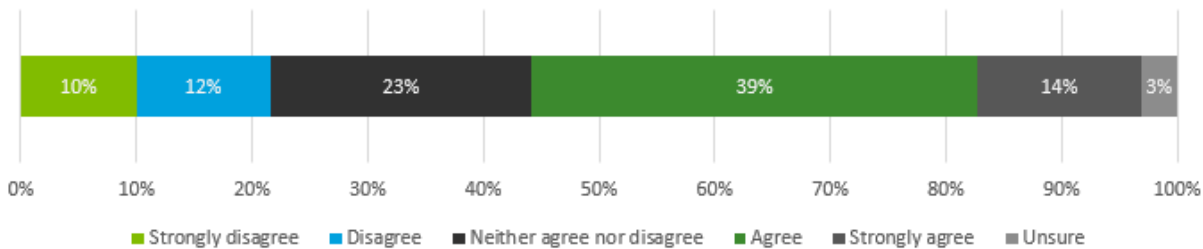
'A much deeper look into the impacts of trauma needs to occur for children with no 'diagnosis' but still very much require additional support.'

Services raised concerns that not all children presenting with challenging behaviours requiring additional support have a formal diagnosis. Furthermore, services noted that the process to receive a diagnosis is often lengthy and cost prohibitive, particularly in remote areas with reduced access to medical professionals.

Data captured from the sector survey below considers services' captures general sentiment across ECEC services on the strengths and barriers that they encounter when working with children with additional needs.

Data from the sector survey (Chart 6.4) found that 53% of services agreed or strongly agreed that the ISP helped to develop staff skills and confidence to support the inclusion of children with additional needs.

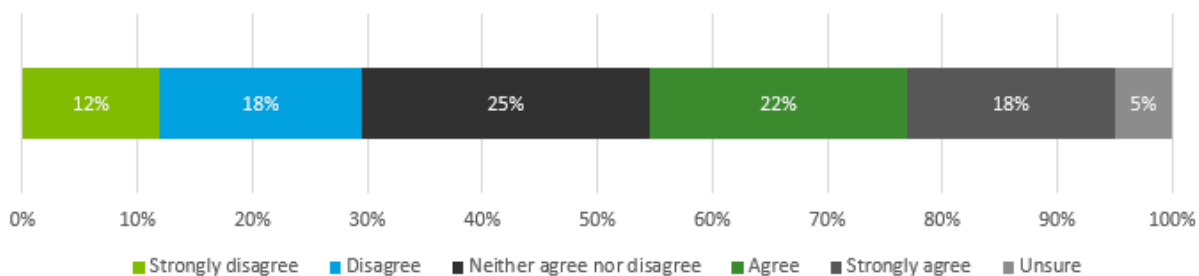
Chart 6.4: Survey participant agreement on 'The ISP has helped me to develop my skills and confidence to support the inclusion of children with additional needs.'



Source: Deloitte Access Economics, using data from 'ISP review sector survey' (2023).

Interestingly, only 40% of survey participants agreed or strongly agreed that the ISP enabled children to access and participate in their service who otherwise would not have been able to (Chart 6.5).

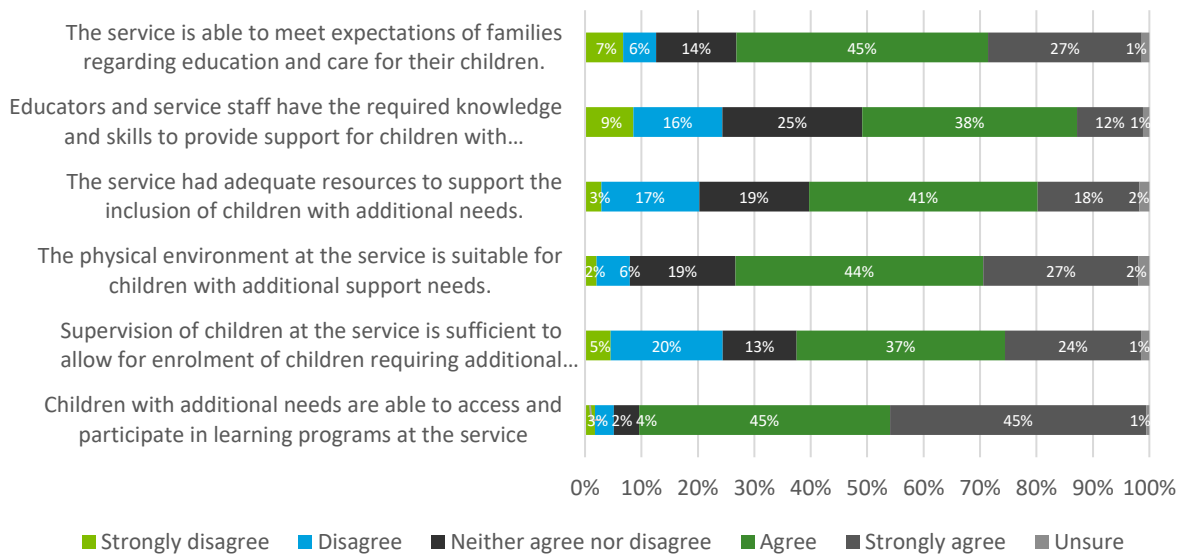
Chart 6.5: Survey participant agreement on 'Children would not be able to access and participate in the service if we did not have access to support available through the ISP.'



Source: Deloitte Access Economics, using data from 'ISP review sector survey' (2023).

The majority of services ‘agreed’ or ‘strongly agreed’ that they are able to meet the expectations of families (72%), had adequate resources to support the inclusion of children with additional needs (59%), and had a physical environment suitable for children with additional needs (71%) (Chart 6.6).

Chart 6.6: Survey participant agreement of strengths and barriers relating to inclusion in ECEC services



Source: Deloitte Access Economics, using data from ‘ISP review sector survey’ (2023).

6.1.4 Conclusion

In responding to this research question, findings from this review identified both strengths and areas for improvement in the way in which the Program supports the capacity and capability of services to include children with additional needs.

The application process for the Additional Educator Subsidy through the IDF requires services to submit a Strategic Inclusion Plan outlining and responding to the specific inclusion needs of a particular child or children with additional needs.

However, the intent of the SIP and the Additional Educator role, as components of the ISP, is to support the capacity and capability of staff to provide quality inclusive practices for all children across the service, rather than enabling individualised supports or one-on-one supervision.

Considering this complexity between individualised documentation requirements and the service-focussed intent of the program, it is possible that:

- additional educators are assigned to devote more adult attention to individual children than is necessary
- additional educators are deployed within the centre with no changes whatsoever to enhance the inclusive experience for the target cohort.

The program data itself cannot establish how additional educators are deployed and therefore this review draws predominantly on stakeholder reports.

During consultations, services broadly expressed a sentiment that additional educators provide valuable all-round support for children and staff in services, as they are able ease the pressure on other staff and assist with the needs of children, raising the teacher-to-child ratio.

Finding 10: Additional educators are effective in supporting the capacity of a service to include children with additional needs.

However, there remains uncertainty regarding the degree to which additional educators are consistently being deployed by services in a way that effectively supports inclusion of children with additional needs, rather than individualised supervision and care. While 53% of services felt that the ISP helped to develop staff skill and confidence in areas of inclusion, only 50% of survey respondents 'agreed' or 'strongly agreed' that educators and staff in their service have the required knowledge and skills to provide support for children with additional needs.

When asked about ways to improve the effectiveness of the Program, stakeholders pointed to expanding access to inclusion-focused professional learning and resources, increasing guidance and support from Inclusion Professionals (IPs) and piloting opportunities to build 'wrap-around' supports with allied health and other early intervention professionals.

Finding 11: Increased engagement with Inclusion Professionals, allied health and other specialists would improve the effectiveness of the resources provided through ISP, and subsequently increase the capacity and capability of the sector workforce.

While the majority of services supported the SIP and highlighted its benefits in enabling reflective practice, nearly every service argued that the application process for IDF funding is too clunky, individually focused and administratively burdensome by stakeholders. Service staff noted that it took a significant amount of time to complete an IDF funding application, reducing their time on the floor or engaging in other work to support inclusion or broader service quality.

Finding 12: The application process for additional educator funding is burdensome and requires a large investment of time by ECEC staff.

6.2 Are there emerging issues that might limit the achievement of intended outcomes? If so, what actions are being taken to address them?

6.2.1 Findings from stakeholder consultation and ECEC focus groups

Stakeholders identified a range of emerging issues that are currently impacting the ISP in achieving its intended outcomes. In particular:

- a number of services, particularly in regional and remote locations, noted that the 'additional educator' approach is not compatible with the current workforce challenges facing the sector
- the ongoing impact of COVID-19, through discussion of challenging behaviour and trauma-related behaviours, is raised as an emerging issue of concern for services, who feel that the Program did not enable effective response to these types of additional needs presented by children
- providers and educators noted that the introduction of the NDIS, in particular the individualised nature of supports under the scheme, has shifted families' expectations of inclusion towards individualised supports
- services advised that chronic shortages in health care sector, particularly health care workers with the ability to assess and diagnose child health and developmental conditions (such as paediatricians and speech pathologists) impacted the ability for families to obtain documentation in a timely manner. This experience has been further compounded in regional and remote locations, with several services in the Northern Territory and remote Western Australia pointing to the financial burden for families to travel for medical appointments, including to receive a formal diagnosis.

6.2.2 Findings from ECEC sector survey

Services' feedback through the ECEC sector survey highlighted a number of key issues impacting the ECEC sector more broadly that limit on the efficiency and appropriateness of Program supports.

Survey respondents noted that ongoing workforce shortages acted as a barrier for services to employing skilled and knowledgeable staff and additional educators. Services advised that even when IDF funding for an additional educator is approved, it is difficult to employ additional educators:

'The staff shortages facing the sector at the moment has meant that it is quite difficult to access additional Educators even though funding may have been approved.'

'If funding is granted, the current national staffing shortage crisis has a major impact on the ability to access skilled, knowledgeable and quality additional educator/s.'

Services noted that the current sector workforce shortage had compounding impacts – as a smaller workforce reduced the time staff have off-the-floor during working hours to address administrative tasks and funding applications.

Respondents suggested that the staffing crisis had further increased workforce attrition due to 'burn out', reducing the proportion of knowledgeable and experienced staff members within the sector. As a result, services identified a lack of adequate knowledge, skills and experience in the current ECEC workforce to adequately support children with additional needs.

Services stated that there is a need for qualified, well-trained staff who are equipped to support children and their inclusion needs. To address this, respondents suggested that professional learning and development, resources and courses be provided to improve staffing capabilities and better address inclusion needs. Some of these reflections are indicated below:

'I understand why we have funding for an additional staff member but this does not help if that staff member, or the existing staff members do not have the appropriate training in dealing with the actual issue that requires support and inclusion.'

'We need a lot more funding for qualified educators who can support children with additional needs while mentoring other educators to apply inclusive strategies.'

'This is a problem within the ECEC industry which needs to be addressed, educators & services should have the skills, knowledge, and the capacity to increase those skills when working with children with disability and their families.'

'Providing further training for additional support educators to gain further knowledge about how to support children with additional needs.'

'Bring back the Professional Development Funding to ensure all Educators receive training to build their capacity OR insist TAFE and University course reintroduce units specifically designed around child development, behaviour and additional needs'

Several survey respondents noted that not all children with inclusion needs are able to be easily identified as requiring formal diagnosis. This is particularly post-pandemic, with more children reportedly presenting with challenging behaviours, trauma and anxiety at services. Services have suggested moving away from requiring formal diagnoses for ISP eligibility to better meet ISP objectives and support inclusion for more children who need it.

'We have a lot of undiagnosed children that present challenging behaviours and need additional support in the care environment and due to not having as many diagnosed children on the case the IDFM do not recognise a certain number of additional educators on some days.'

'We have noticed over the last two years more and more behavioural issues and anxiety with children off the back of the pandemic and being able to access additional educator support has been extremely helpful.'

'A much deeper look into the impacts of trauma needs to occur for children with no 'diagnosis' but still very much require additional support.'

Some services noted barriers in applying for ISP funding due to families' reluctance to disclose information about the additional needs of their children due to fears of discrimination or broader negative consequences:

"I have families here who are seeking permanent residency. They are hesitant or do not give permission for any medical documentation on their child be disclosed to access the additional support their children need. This is due to fear that if they do, they will lose the option for permanent residency. This puts strain on my team when we can't access this due to proof medically. Having someone who can come to a centre to observe from the ECA and recommend the service be given assistance of an additional educator would go a long way to helping overcome this barrier to receiving support for these children".

6.2.3 Conclusion

Several emerging issues have been identified as part of the research which are identified to impact the overall achievement of the Program's intended outcomes.

The identified issues are multi-faceted, across administrative and systemic challenges relating to the ECEC sector, as well as societal factors impacting on the broader Australian workforce. In the ECEC sector, key emerging issues include the current workforce shortages and the reported ongoing impact of COVID-19 on children's behaviours in early years services.

The shift towards individualised support for children with disability through the introduction of the NDIS has also presented challenges in communicating the intent of the Program to families, as the ISP is focused primarily on building inclusive practices across the service.

Finding 13: Increasing community expectations of individualised supports due to the introduction of the NDIS has impacted understanding of ISP objectives and intent.

Workforce shortages and increased attrition due to burnout, expectation of educators to perform unpaid labour, an absence of pay parity between ECEC and the school education sectors, a lack of adequate programming and staff development time and low wages¹⁰⁷ have resulted in a reduction in the availability of knowledgeable and experienced staff. Survey respondents suggested this could be addressed by offering professional learning and development resources and courses.

Finding 14: Current workforce challenges in the sector, specifically issues in the attraction and retention of qualified early childhood educators, is a significant factor impacting the ability of services to include children with additional needs.

Furthermore, consultation with educators in regional and remote settings emphasised current barriers in accessing child health professionals due to workforce shortages in the healthcare sector. This is assumed to be hindering families' ability to obtain necessary documentation for ISP funding, especially in remote areas.

¹⁰⁷ United Voice, *Big Steps in Childcare: The Childcare Workforce Shortage* (2010) <<https://www.pc.gov.au/inquiries/completed/education-workforce-early-childhood/submissions/subdr166-attachment.pdf#:~:text=Turnover%20amongst%20staff%20is%20high%20due%20to%3A%20low,lack%20of%20adequate%20programming%20and%20staff%20development%20time>>.

Finding 15: Broader workforce challenges affecting community and allied health sectors have acted as a barrier to diagnosis for some families, particularly in regional and remote locations.

Finally, the requirement for a formal diagnosis to determine ISP eligibility is reportedly excluding some children who may need adjustments but lack formal diagnoses, particularly in the wake of the COVID-19 pandemic. According to anecdotal evidence from stakeholder and service consultations, children attending ECEC may present with some indications of developmental vulnerability or barriers to learning but, for various reasons, not have a specific diagnosis of a disability or adequate documented evidence of an early intervention-related condition to enable a service to apply for supports under the ISP.

Services reported that families with temporary visa arrangements are often hesitant to disclose medical information relating to the additional needs of their children, due to fears of discrimination or ineligibility for permanent residency due to health requirements. This fear of discrimination and negative consequences acts as a barrier for services to seek funding to support the child, due to a lack of diagnostic information. In particular, families' fears of discrimination or negative reprisal, such as those with temporary visa arrangements, has resulted in hesitancy to disclose information about a child's additional needs.

Finding 16: Reliance on diagnostic evidence to determine a child's inclusion needs creates barriers to access to the Program for service staff and families, and is inconsistent with a contemporary, functional-need based view of inclusion.

6.3 How do its outcomes compare with similar programs elsewhere, or with alternative ways of achieving the same outcomes?

6.3.1 Findings from the literature analysis

Appendix C includes examples of inclusive practice across other jurisdictions, including in early years systems abroad. While comparisons can be made between Australia and approaches in other countries, these comparisons should be considered with an understanding and recognition of the differing contexts of each early years sector. Similarly, when comparing the ECEC sector with the Australian school education system, differing approaches to inclusive education are often shaped by pressures and circumstances that are unique to the respective sectors.

While recognising these above points, there is merit in a process that monitors the quality of inclusive provision that includes a self-assessment component, such is the case in the Netherlands.¹⁰⁸ To ensure effective inclusive practice assessment, reflections about a service's capacity and capability to support children with additional needs should be measured on a set of clearly defined guiding principles based on clear indicators so services can rate themselves and measure their growth over time – similar to the process adopted in the National Quality Standard generally. Reflection tools may also be beneficial in helping services to identify areas of strength and weaknesses, and plan for future capability building of staff.

The Nationally Consistent Collection of Data (NCCD) is an annual collection of information about adjustments and support provided to Australian school students due to the functional impact of disability.¹⁰⁹ The data collection relies upon the professional judgement of teachers and schools to determine the level of adjustment provided to a student. This is on the basis of the students meeting the definition of disability in accordance with the *Disability Discrimination Act 1992* (DDA) and the *Disability Standards for Education 2005* (DSE). DDA and DSE. The NCCD has been instrumental in driving inclusive reform in Australian schools over the past decade. The rollout of

¹⁰⁸ Organisation for Economic Co-operation and Development (OECD), *Starting Strong IV: Monitoring Quality in Early Childhood Education and Care* (2015) < https://www.oecd-ilibrary.org/education/starting-strong-iv_9789264233515-en>.

¹⁰⁹ Australian Government, Department of Education, Skills and Employment, *NCCD and supporting students with disability* (Education Services Australia, 2022) <<https://www.nccd.edu.au/>>.

the NCCD required schools to adopt new ways of thinking with regards to the inclusion of students with disability, with a significant shift away from categorising students based on a diagnosis. Significant investment has been necessary in building the capacity and capability of schools to support students with disability as they have adopted NCCD processes and practices.

The national NCCD Portal hosts a large collection of professional learning and development materials relating to legislation, reasonable adjustments and provides series of case examples demonstrating how schools have successfully included students with a range of disabilities. The Portal also hosts modules on the DDA that were developed by the University of Canberra. Currently, there is a course designed for early childhood that could be a starting point for upskilling ECEC staff in inclusive practice that aligns with the DDA.¹¹⁰ It should be noted that overly focusing on the DDA may give the impression that inclusion relates only to children with disability. Given the broader reach of the ISP, it is advisable to balance an emphasis on the DDA with other aspects of inclusion that relate to Aboriginal and Torres Strait Islander children, children from refugee backgrounds and those from culturally and linguistically diverse backgrounds.

6.3.2 Findings from stakeholder consultation and ECEC focus groups

When discussing the ISP, services pointed to other inclusion funding programs in Australia which enable services to support children with additional needs.

Key feedback from consultations included:

- Services emphasised how similar state-delivered funding programs, such as the NSW Government's *Disability and Inclusion Program* and the Queensland Government's *Kindy Uplift* inclusion funding schemes for preschool programs:
 - involve less arduous application processes, including allowing observation rather than diagnostic evidence as eligibility criteria for funding
 - are more flexible in terms of use of funding, including being able to use the funding for minor capital works and specialist supports
 - are more attractive financially, with the NSW program paying an additional \$1.27 on top of what the ISP currently provides for additional educators.
- That the QLD *Kindy Uplift* program is more proactive to supporting the capacity and capability of services to drive inclusion, as funding could be made available to services pre-emptively to build their capacity prior to a child with additional needs enrolling at the service
- Broader stakeholder feedback identified benefits in the previous iteration of the ISP, prior to its redesign in 2016 (v1.0 of the ISP), including recommendations that the previous inclusion of professional learning and development within the Program led to improved educator outcomes in relation to capacity and capability to include children with additional needs.

6.3.3 Conclusion

Broader literature analysis and consultation around similar programs as part of this review identified alternative approaches to funding and measuring inclusion that have the potential to improve future versions of the ISP.

Self-assessment processes, as practiced in the Netherlands, offer promising avenues for service quality enhancement. However, it is important that the broad definition of inclusion captured through the EYLF and the ISP includes not just children with disabilities, but also those with other additional needs and those from various cultural backgrounds. These contextual differences are important in considering alternate approaches in other jurisdictions.

In the schooling sector, the NCCD is an example of how education providers can support the inclusion of young people with disability based on need rather than providing support driven by categorical funding models. Its strength lies in the recognition that those who work most closely

¹¹⁰ Australian Government, Department of Education, Skills and Employment, *NCCD and supporting students with disability* (Education Services Australia, 2022) <<https://www.nccd.edu.au/>>.

with children on a day-to-day basis are best placed to determine the level of support the child requires. Further, the rollout of the NCCD as a funding model was supplemented by a large suite of coordinated national resources to help build capability of educators in understanding effective inclusive practice along with the professional and legal responsibilities of schools when including students with disability.

Inclusion support programs for kindergarten services in Queensland and NSW are seen by services as having simpler application and eligibility criteria, more flexible in their use of funding and saw a relatively higher allocation of resourcing.

Stakeholders also favoured reinstating elements of the previous program (prior to 2016), in particular, professional learning and development as an approach to building the capacity and capability of ECEC staff to support children with additional needs.

Finding 17: Aspects of programs from other jurisdictions and sectors which may improve outcomes relative to the ISP include a focus on sector capability, reducing administrative burden, greater flexibility in resource use, coordinated delivery of professional learning and development, and higher relative levels of resourcing.

6.4 Related opportunities

These findings have supported the development of a range of short- and medium-term opportunities detailed in Chapter 8.

In the short term, there are several priority projects which could be pursued to enhance the capacity of IAs to deliver support as well as the usability and impact of the Program's features at a service level.

- Explore the current capability and opportunities to expand the cultural awareness and knowledge of Inclusion Agencies to support Aboriginal and Torres Strait Islander services, including opportunities for identified Inclusion Professionals and/or funding a national First Nations-specific Inclusion Agency (Opportunity 4)
- Expand scope of Inclusion Agencies to deliver targeted professional learning and development in effective inclusive practice to services accessing the Program (Opportunity 5)
- Deliver coordinated national sector-wide inclusion resources and training through partnership between ACECQA and Inclusion Agencies (Opportunity 6)

In the medium term, there are opportunities to adapt the funding rules associated with the ISP to better deliver program outcomes.

The longer-term opportunities in Section 8.7 describe approaches to inclusion that have been found to be effective in improving inclusive practice in other education settings. The gradual phasing-in of these approaches over an extended period of time is likely to lead to improved outcomes for children with disability and additional needs.

7 Resourcing and financial sustainability

Research questions for Theme 3:

- *How, and to what extent, does the Program address changes in demand?*
- *Is the ISP adequately resourced to undertake its activities?*

This chapter considers the resourcing needs of the Program in line with delivered outcomes and current demand, as well as likely demand in the future ECEC sector in line with the current program's eligibility requirements.¹¹¹ This section addresses each research question individually, reflecting, as applicable, on the findings from the literature across this report, consultations, survey and data analysis, before arriving at an overarching conclusion and set of findings.

7.1 How, and to what extent does the Program address changes in demand?

This section sought to examine whether the ISP has been responsive to changes in demand at an individual service level – specifically, whether the ISP, with its various funding streams, provides higher support to services with a greater level of need.

It is also acknowledged that demand for the ISP may have grown at an aggregate level (that is, the overall demand for the Program across all services in Australia may have increased). This is considered in the following section (Section 7.2).

7.1.1 Findings from stakeholder consultation and ECEC focus groups

In Section 5.3 of this report, stakeholder feedback indicated that ongoing resourcing is a key challenge for the Program because of increasing service demand. These stakeholders noted:

- an identified increase in ISP participation across the sector
- a significant shift in the types of supports being provided to services by Inclusion Agencies, with services requiring broader supports across a range of themes not traditionally associated with the role of the inclusion agency, such as requests for training around broader service management and regulatory compliance
- increasing pressure around addressing challenging behaviours displayed by children
- increased in trauma-related behaviours experienced by children, particularly post-COVID-19 pandemic.

Further feedback from focus groups and ECEC services around this research question identified challenges around the responsiveness of funding to demands experienced at the service.

Current arrangements of the Program allow for more than one additional educator if the associated need is demonstrated to the IA and the IDFM. However, some services reported that the IA allocation they received was insufficient to support their cohort of children with additional needs – and some even incorrectly informing the research team that the program is only able to provide one additional educator. Considering this, there is a notable difference in services' understanding

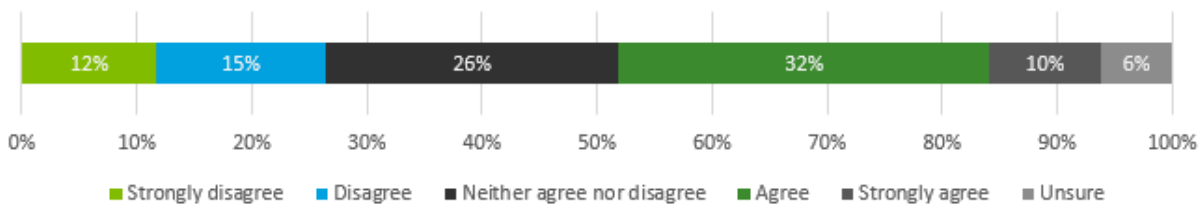
¹¹¹ Analysis undertaken as part of this review considers changes in demand over time in line with current program eligibility requirements. If access to funding under the program were expanded to broader cohorts of children, this expanded child cohort would likely increase the level of demand for the Program in line with the revised eligibility criteria.

around eligibility requirements for the Program, particularly around the ability to provide additional support for services caring for multiple children with additional needs.

7.1.2 Findings from ECEC sector survey

Data from the national ECEC sector survey indicated that only 42% of services either agreed or strongly agreed that 'The ISP is able to respond to an increased demand for support at the service, if required' as shown in the chart below.

Chart 7.1: Survey participant agreement to 'The ISP is able to respond to an increased demand for support at the service, if required.'



Source: Deloitte Access Economics, using data from 'ISP review sector survey' (2023).

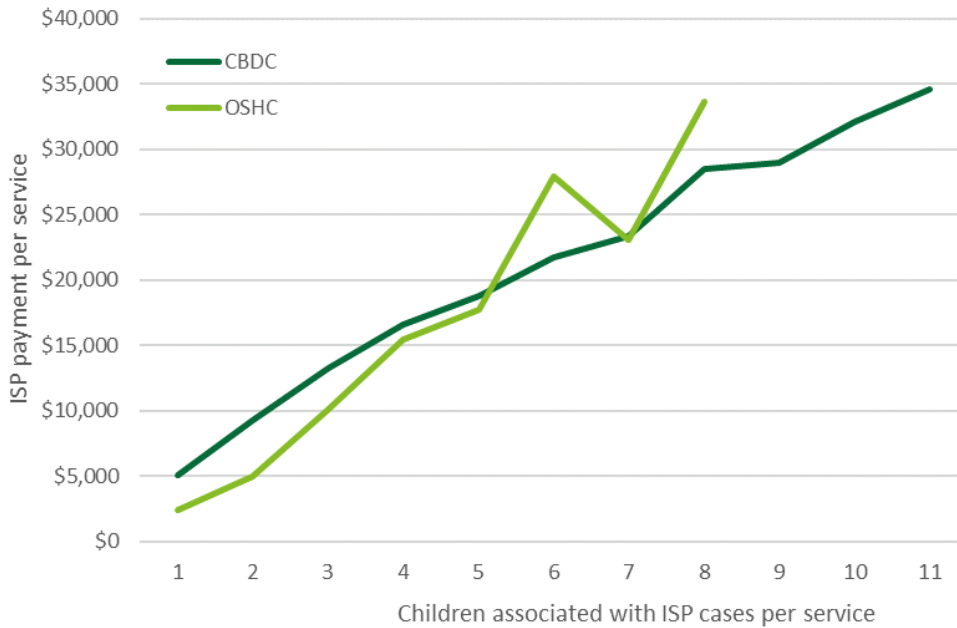
This survey finding is reminiscent of broader feedback in stakeholder consultations and ECEC focus groups, in which services advised that the funding is not responsive to increased demand over time if additional children are to attend with additional needs.

7.1.3 Findings from data analysis

Program data suggests that the level of payments given to services is, *on average*, relatively responsive to the number of children associated with a case and requiring additional needs.

As the chart shows below, the rate of payments to both centre-based day care and outside school hours care services increases at a relatively linear rate as additional children are identified in the program parameters.

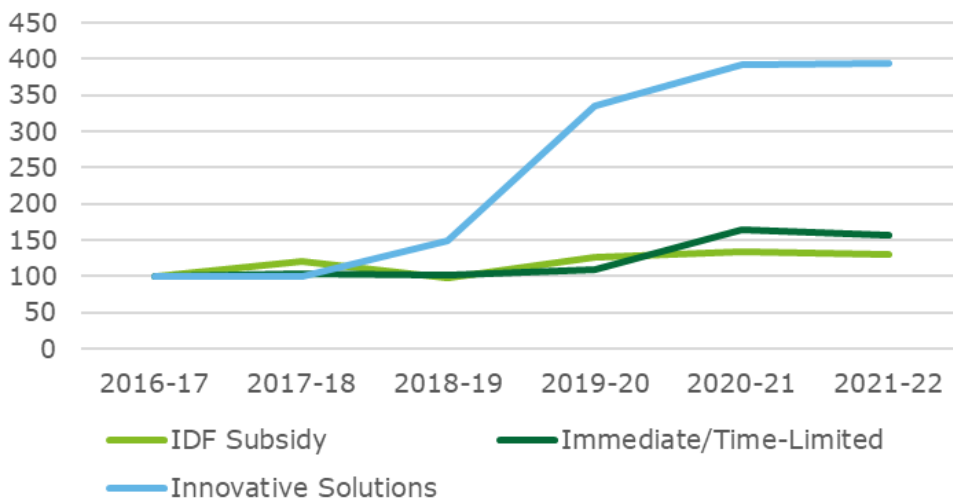
Chart 7.2: Average ISP payment per service per annum, by ISP children per service, CBDC and OSHC, 2020-21



Source: Deloitte Access Economics (2023) using program data. While there are services with more than five ISP children, they have not been included due to small sample sizes and volatility in the payment per service per annum. Program data collected as part of the ISP does not account for changes in ISP children within a particular year, as children potentially move between centres. Consequently, the data analysis is unable to consider whether program funding is responsive to changes in need within a given year.

When considering the average amount of funding per case over time, with funding in 2016-17 indexed at 100, Program data suggests that average funding per case has grown most significantly for Innovative Solutions Support cases, with average funding in 2021-22 four times higher compared to 2016-17 levels (Chart 7.3). Average funding for IDF subsidy and immediate/time-limited cases has also grown – but at a significantly slower rate than ISS funding.

Chart 7.3: Change in average funding per case over time (2016-17 value = 100)



Source: Deloitte Access Economics, using program data (2023).

The growth in ISS funding is due to the increase uptake in the ISS stream over time by services, including increased recognition in the streams' ability to fund more flexible, resource-intensive approaches to inclusion. Further, it is notable that the ISP Guidelines were amended in March 2020 to remove all references to a funding limit for Innovative Solutions.

Further consideration should be given in future years as to the appropriateness of the ISS stream, including the cost effectiveness of delivering supports through the individualised, case-by-case approach.

7.1.4 Conclusion

The data analysis conducted as part of this review shows that the ISP has been able to grow to meet demand.

At a centre level, when further children are enrolled, the total amount of 'additional educator' funding increases – and this has led to a sustained increase in Additional Educator Subsidy being distributed through the program over time. Further, over the past four years, centres are making more frequent and greater use of Innovative Solutions Support funding.

Feedback from services indicates that current resourcing is not sufficient to meet the support requirements of eligible children. That is, while the initiative is responsive to overall demand, it may still not be adequately resourced to meet the existing levels of demand within the program.

For a number of reasons, the funding provided under ISP is not considered sufficient to meet growth in demand.

- The unit amount of resourcing provided as part of the Additional Educator Subsidy has not changed since the program inception.
- ISP resourcing does not 'follow the child' and services will need to reapply for funding if a child shifts between two services.
- There is variability in service understanding of available supports under the program (and ability to access supports).
- Some services are not able to meet requirements to access an Additional Educator Subsidy.
- Funding provided on a per-student basis does not account for an increase in the relative complexity of cases, which may be evolving as a result of the COVID-19 pandemic.

Finding 18: While both the Additional Educator Subsidy and Innovative Solutions Support funding have grown with rising demand, the current settings are not perceived to meet the demand that exists.

7.2 Is the ISP adequately resourced to undertake its activities?

While the previous section examined the responsiveness of the ISP to demand – over time and as the caseload and complexity grows within services – this section seeks to examine whether the ISP can be considered adequate to undertake its activities overall.

7.2.1 Findings from the literature analysis

Although additional resources can contribute to improvements in inclusive practice, resourcing alone does not determine the efficacy of an inclusive program. The literature included in this review provided guidance on aspects of the ISP that could be developed further to improve outcomes for children requiring additional support in ECEC, with many of these not requiring significant increases to funding to implement.

Other considerations regarding resourcing relate to how funding is directed towards supporting inclusion. Time spent on administrative requirements results in less time available to support staff and build capability and capacity. Exploring options to reduce the administrative burden associated

with the ISP may lead to improved inclusive practice, or at least, time to build more effective inclusive practice.

Further consideration should be given to the allocation of funding, its flexibility and whether it supports services or families. In Finland, funding is available to support families to access ECEC, alongside funding for inclusion support services, which are provided by trained professionals to support the learning and development of children with disability (see Appendix C). In Ireland, there is a range of funded initiatives to support inclusion in ECEC, including government funded professional learning and development of ECEC staff.

The allocation of funding through the ISP will need further scrutiny to determine which combination is likely to lead to sustained improvements in inclusive practice.

7.2.2 Findings from stakeholder consultation and ECEC focus groups

Stakeholders noted significant concerns around funding, suggesting that the Program faces resourcing challenges across several areas. The adequacy of the ISP to support an additional educator has also been questioned.

- Providers, peak bodies, and services commented that the \$23-an-hour educator wage is not sufficient to meet the costs of employing an additional educator, and the financial gap to employ the additional educator is considered a financial barrier when determining when to apply for funding under the Program. For example, the following statements were made in stakeholder consultations:
 - *'The ISP should be linked with CPI and go up annually as they pay \$23 per hour to the additional educator and services understand this is a contribution. Services understand they need to contribute but this places a burden on them if the funded amount doesn't increase. ECEC staff wages aren't financially sustainable, staff moves to other industries that pay higher.'*
- On a related point, services noted that funding for the additional educator is limited to five hours per day, which reduced the potential to increase supervision and support for staff while a child with additional needs is attending the service above the hourly cap.

Services and stakeholders also felt the Program is not resourced sufficiently to allow for capability development or more generalised responses to develop inclusive practice.

- Inclusion Agencies and the IDFM raised significant concerns around resourcing, in particular, that funding under the current tender arrangements had not been increased since 2016 (*including in line with CPI*).
- Inclusion Agencies advised that they are being limited in their ability to provide support to ECEC services, including reducing face-to-face visits and follow-ups to services.
- This sentiment has been reflected by services who noted that support from Inclusion Professionals is variable and often infrequent. Broadly, services called for additional time with Inclusion professionals to support a deeper understanding of the service's context, children and support in engaging in reflective practices.

Services also emphasised that the costs of engaging in the Program are high and not necessarily accounted for in the Program streams.

- According to the stakeholders consulted, the ISP is not responsive to the needs of ECEC services accessing funding under the Program. Stakeholders noted that this is often due to ECEC services facing out-of-pocket expenses (when employing an additional educator) when participating in the Program, and the relative time of the application process from the identification of a child at enrolment to the receipt of funding following application approval.
- Providers and peak bodies noted that time-limited funding provided under the IDF is also not responsive enough to ensure that services are guaranteed funding to support a child with adjustments at their point of enrolment in an ECEC service. It was noted by some stakeholders that time-limited funding is not as responsive as it was intended to be, and it is not able to address the need to immediately remove barriers to the inclusion of a child with high support

needs due to the time it took to apply for this funding. Services were known to forgo applying for this funding, and rather focus their attention on longer-term stable solutions beyond the initial 12-week period. This resulted in additional out-of-pocket expenses for services, who resorted to funding an additional educator themselves.

Several services indicated that the insufficiency of the Program, the additional costs and the delays in accessing funding had acted as a disincentive to enrol children from the identified cohorts.

In light of these challenges, several solutions were put forward during the consultations.

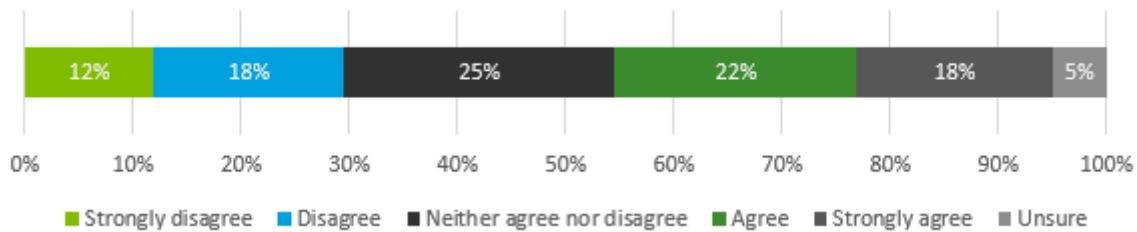
- Inclusion Agencies and the IDFM suggested that additional funding be provided to ensure that they are able to meet the current demand for inclusion supports across the ECEC sector.
- Peak bodies, researchers, government agencies and inclusive education experts also suggested establishing increased funding to enable proactive approaches to inclusive practices before children attend the service.

7.2.3 Findings from ECEC sector survey

The ECEC sector survey asked services to rate their agreement on a number of statements regarding the ISP, particularly on its capacity to facilitate inclusive practice within their service.

40% of survey participants agreed or strongly agreed that the ISP enabled children to access and participate in their service who otherwise would not have been able to (see Chart 7.4 below). There was greater agreement from regional services compared to metropolitan services with respect to this, and greater agreement from LDC services compared to OSHC services.

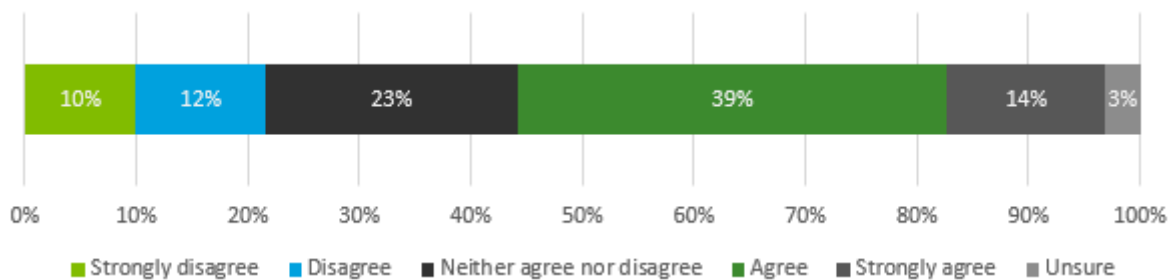
Chart 7.4: Survey participant agreement on 'Children would not be able to access and participate in the service if we did not have access to support available through the ISP.'



Source: Deloitte Access Economics, using data from 'ISP review sector survey' (2023).

53% of services agreed or strongly agreed that the ISP helped to develop staff skills and confidence to support the inclusion of children with additional needs (see Chart 7.5 below). There was greater agreement from LDC services compared to OSHC services with respect to this.

Chart 7.5: Survey participant agreement on 'The ISP has helped me to develop my skills and confidence to support the inclusion of children with additional needs.'



Source: Deloitte Access Economics, using data from 'ISP review sector survey' (2023).

The survey identified broad agreement across services for additional funding to hire additional educators to support the increased development of inclusive practices and provide a quality of care to all children and support staff. Services advised that limitations on funding accessible for staff as well as the caps on staffing do not adequately support the development of inclusive practices.

Respondents noted that the funding provided to hire additional educators does not cover the extent of time that a child with additional needs attends a service, and the funding does not cover the whole cost of employing an additional educator. Services expressed that this is another factor that is contributing to staff burnout, low staff retention and exacerbating the workforce shortage crisis for ECEC services.

'The current hourly IDF subsidy for an additional educator is inadequate for services to attract competent educators who possess a recognised early childhood qualification.'

'...we had 3 children with severe disabilities and two of them were twins which require more care and support but as they were 5 days full time the hours of additional staff was not enough.'

'When a child has high support needs requiring 1:1 care to manage risks to them and others it should be automatic that a minimum of 8hrs of an additional worker is given.'

'The number of children wanting to enrol with additional needs has also grown but due to the limited number of hours given and additional staff, it is not sustainable to enrol all the children, especially when there are a high number requiring very close supervision and support...'

Services suggested that increasing the additional educator subsidy to cover a full day of care would better assist staff, children, and learning environment. Respondents advised that additional educators unable to be adequately shared across multiple children with additional needs without compromising the quality of care for all children.

Providers believed that increasing remuneration would better attract and retain qualified educators in the ECEC industry.

'The belief of 'sharing' additional workers for children with additional needs who require a lot of support to be included in early childhood services is not always practical and means other children who should be benefiting from extra support are not.'

Respondent feedback identified that services have positive experiences with Inclusion Professionals (IPs) and would benefit from more support from their inclusion support officers to introduce more inclusive practice within their service. They noted that IPs have expertise and knowledge that can assist service staff in developing approaches to build effective inclusive practices, however IPs have low availability to adequately support some services.

'Sometimes getting the IP out is a barrier as they are limited on their availability'

7.2.4 Findings from program data

Considering whether the ISP is adequately resourced to undertake its activities involves considering the objectives and intent of the Program, the relevant stakeholders' roles and expectations, and assumed outcomes of the Program. The adequacy of resourcing the ISP may be explored across a number of themes identified throughout stakeholder consultation.

Adequacy of funding to IAs and the IDFM

As key stakeholders in endorsing and approving funding applications, Inclusion Agencies and the IDFM are expected to dedicate time towards supporting services complete applications for ISP-related funding.

As outlined in Section 5.3, program data on the number of cases submitted to the IDF year-on-year has indicated an approximate 65% increase in the number of cases for ISP funding from 2016-17

(11,010) to 2021-22 (16,829). During this time, the overall population in ECEC has grown as well, with the population in receipt of CCS growing by 8%.

While IAs and the IDFM do not deliver services directly to children, their workload nevertheless is influenced by the scale and complexity of the population of children in ECEC. IAs are expected to support applications through reviewing documentation, approving funding and advising on the implementation of inclusive practice.

Despite the growth in the ECEC sector and ISP enrolments since 2016, the total funding for IAs and the IDFM has remained constant. Furthermore, resourcing has not contractually increased to IAs or the IDFM in line with CPI, resulting in a real reduction in overall funding year-on-year.

The level of resourcing in the year 2016 is not necessarily a benchmark for 'sufficient' resourcing in line with the ISP. However, under the assumption that the Department sought IAs and the IDFM to at least maintain the quality and amount of support provided to ECEC services over this time, funding has clearly not kept up with either growth in services or increased costs.

Adequacy of funding to services

Additional Educator Subsidy

Broad stakeholder and service feedback indicated concerns around the adequacy of funding provided under the Program, both in terms of the \$23-per-hour contribution to the additional educator funding under the IDF, as well as the responsiveness of funding to demand.

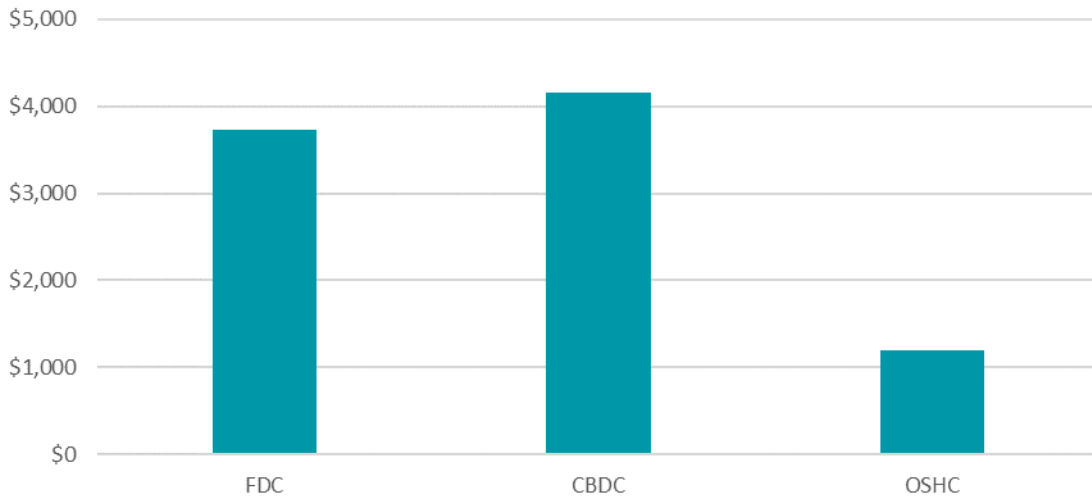
While the Program's \$23-per-hour resource contribution reflects the current hourly pay rate of some workers and employees under the award, there are varying minimum wage levels for experience, and there may be labour market expectations of higher wages due to shortages in the current ECEC workforce in some segments of the market.

Providers and services have argued that the lack of increase in the \$23-per-hour contribution since its introduction in 2017 has resulted in a real value decrease in the contribution proportionate to the increasing cost of wages paid for by services due to upwards wage pressures and increases in relevant awards.

Broader program funding

Program data can provide insights on *relative* differences in resourcing adequacy across the market. The average payment per ISP child in CDBC services is higher than FDC, which is in turn higher than funding for the average ISP child in OSHC services (see Chart 7.6 below).

Chart 7.6: Average ISP payment per child by service type per annum, 2021-22

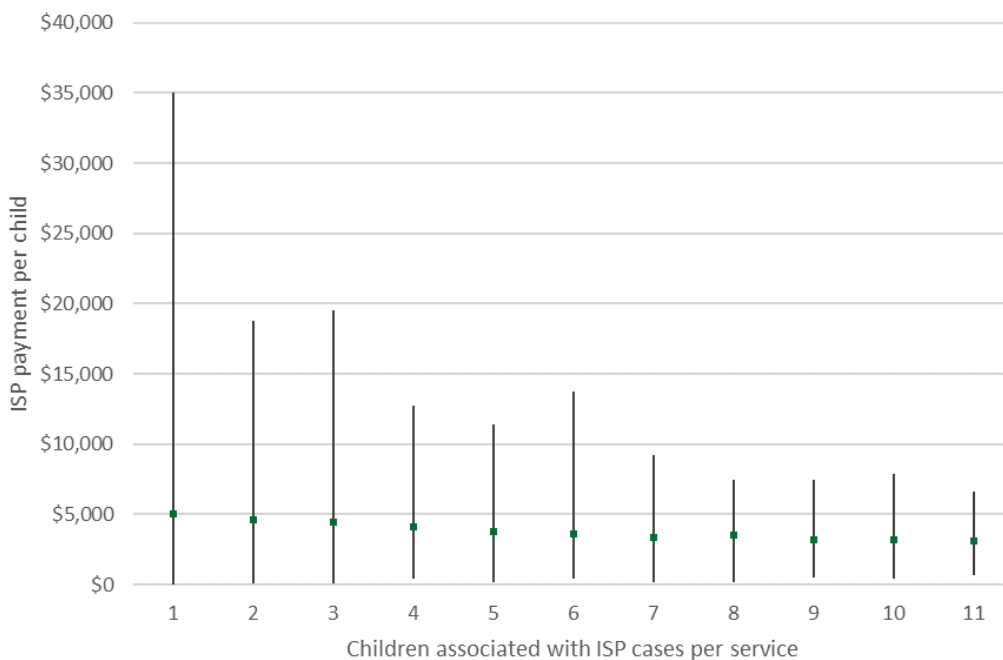


Source: Deloitte Access Economics (2023) using program data. Note that funding related to innovative solutions or not associated with a child has been excluded.

Notably, there is variability in the funding per child received across services, particularly for services with fewer children in the ISP. For instance, the average CBDC service with two children in the Program receives \$4,600 per child per annum. By comparison, some services with two children receive up to \$19,000 per child, while others receive only \$100 per child (Chart 7.7).

On average, funding per ISP-attributable enrolment is relatively linear. Further evidence is required to understand the activities supported through ISP funding, and the extent to which fixed funding on a per enrolment basis is appropriate. For instance, if the activities supported have large fixed costs, regardless of enrolments, then services with fewer children in the Program may be relatively under resourced compared to larger services.

Chart 7.7: Range and average ISP payment per child by service size per annum, CBDC, 2020-21



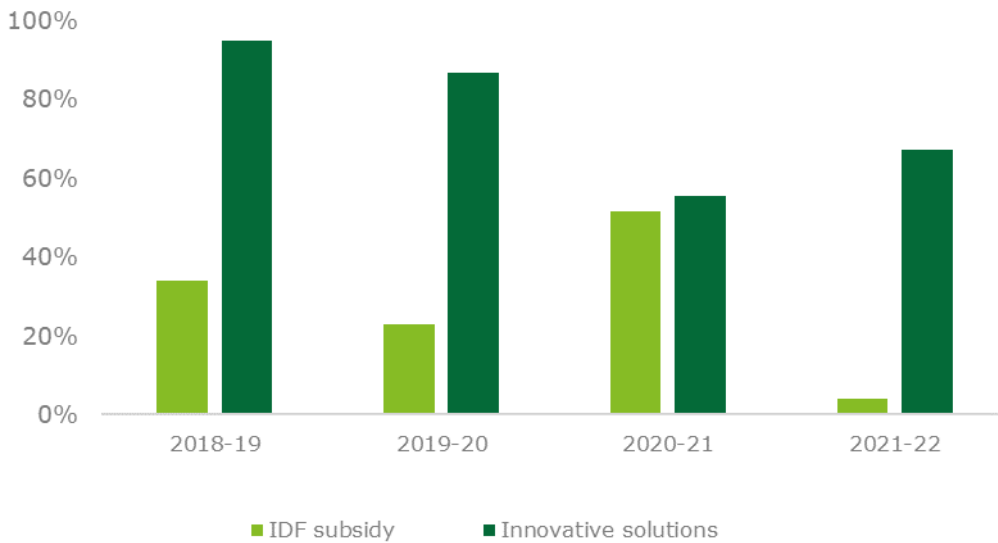
Source: Deloitte Access Economics, using program data (2023).

Program funding allocation and underspend

When comparing historical annual funding allocated to the Program to actual payments through the IDF to services, a significant underspend is apparent. From 2018-19 to 2021-22, the annual underspend for Innovative Solutions funding has ranged from 67% to 95% (see Chart 7.8 below).

In contrast, underspend for the IDF subsidy has been significantly lower over the same period, ranging from 4% to 52%.¹¹²

Chart 7.8: IDF subsidy and innovative solutions underspend, as shown by percentage of budget remaining



Source: Deloitte Access Economics, using program data and ORIMA funding allocation figures (2023).

For the 2022-23 financial year, there is no longer an underspend within the Inclusion Development Fund component of the ISP. There is in fact now an overspend of approximately \$14 million. This has been resourced by carrying forward underspent amounts from previous years, however it is believed that given this growth in demand, the projected overspend for 2023-24 is approximately \$34 million.

Therefore, there is a need to evaluate how existing resources can be best utilised across the entirety of the Program and the sufficiency of resourcing presently associated with the Program.

7.2.5 Conclusion

Analysis of key research and academic literature on inclusion have recognised that resourcing alone does not determine the effectiveness of an inclusive program. The literature recognises the importance of addressing staffing-related issues relating to staff knowledge of inclusive practices, as the use of an additional educator may inadvertently lead to isolation or experiences of segregation from other peers.

Stakeholder consultation with Inclusion Agencies, the IDFM, providers, peak bodies and services raised significant concerns regarding funding challenges facing the Program, in particular around the inadequacy of the \$23-per-hour resourcing contribution for the additional educator. It is acknowledged that this contribution had not increased since the inception of the current Program in 2016.

¹¹² ORIMA, *The Demand for Inclusion Development Fund (IDF) Support* (2022).

As noted in Section 7.1, on average, funding for services responds to demand, and grows linearly alongside enrolments under the Program. However, there is a high degree of variability in the average funding per child received across services.

Finding 19: The educator subsidy is perceived to be inadequate to support the required activities within the ISP. Demand for the Additional Educator Subsidy has grown consistently since 2016 and is now exhausting the program budget.

Feedback around resourcing challenges faced by IAs and the IDFM are reflected in program data, showing a significant increase in the number of cases for funding under the ISP, despite no real increase in overall resourcing to the IAs and IDFMs in light of this increased demand. There is a short-term justification for increasing the funding allocated to the IAs and IDFM to support their ability to fulfill their roles as part of the Program.

Finding 20: The financial settings of the Program do not effectively support capability building. The total funding associated with IAs and the IDFM is not considered to be sufficient given the size and complexity of the sector being supported.

There is a longer-term justification for reviewing the sufficiency and appropriateness of the ISP to support capability building across the sector more broadly – ideally in line with a tiered model of support.

Further evidence is required to understand the activities supported through ISP funding, and the extent to which fixed funding on a per enrolment basis is appropriate.

Finding 21: Data which is collected through the Program is not sufficient to support an understanding of changes in practice or outcomes resulting from the program investment.

7.3 Related opportunities

Consideration of these findings has supported the development of a range of key opportunities. While these opportunities are aligned to the general findings outlined above, the detailed opportunities draw on additional evidence and analysis, which is provided in Chapter 8.

Consideration of the findings detailed in this chapter leads to the development of opportunities relating to both the needs-basis of funding (that is, how funding is determined and distributed) as well as to the nature of resourcing and conditions associated with it.

In the short term, the Department should consider whether immediate adjustments are possible to address the issues of adequacy identified throughout this review. It is noted that these may have broader budgetary implications.

In the medium term, it is suggested that the Department structure ISP resourcing to communicate an approach that is intended to support sector-wide capacity building.

In the longer-term, it is suggested that the Department take a strategic view to resourcing and seek to adapt or revise the Program so that it can proactively – and sustainably – build capability in ECEC services to deliver inclusion.

Part C: Opportunities

8 Opportunities for change

A key component of the ISP review related to the identification of opportunities for change in the current Program. Specifically, the research team were provided with the following research question:

What, if any, lessons can be drawn from the Program to improve the efficiency or effectiveness of future programs?

This review considered the Inclusion Support Program in line with the research questions provided by the Department and the subsequent identified lines of inquiry outlined in the review framework. Analysis of the program, the current state of the ECEC sector and inclusion more broadly has been undertaken through the consultation, document and data analysis as well as broader analysis of literature and academic research, as noted in Appendix E.

Through this approach, the research team identified a range of short-, medium-term opportunities to improve the efficiency and efficacy of the Inclusion Support Program, as well as longer-term opportunities for the Australian Government to support a resourced, empowered and fundamentally inclusive Australian ECEC sector.

These opportunities have been categorised across five key policy areas. These areas are:

- 1 Strategic intent
 - This review sought to analyse how the ISP aligns with broader government policies and priorities relating to the inclusion of children in early years settings. Opportunities proposed in this policy area are intended to support the program’s increased alignment with other government supports, as well as building further policy consensus and collaboration amongst government stakeholders to support inclusion across in the ECEC sector.
- 2 Capability building
 - This review sought to analyse the extent to which the ISP supports the capability and capability to include children with additional needs. Opportunities proposed in this policy area are intended to increase the knowledge and awareness of the current ECEC workforce to support children with additional needs, including reducing barriers and increasing access to training and resources for early childhood educators and staff.
- 3 Needs-based support
 - The underlying intent and objectives of the ISP to ensure that all children in Australia have adequate and appropriate ongoing access to high-quality ECEC, regardless of identified barriers, indicators of disadvantage or vulnerabilities. Opportunities outlined in sub-section seek to improve the Program and sector’s capacity and capability to meet the needs of children in effective and timely ways.
- 4 Effective resourcing
 - This review sought to understand how the current ISP is resourced, the overall demand for inclusion supports, and whether any changes are needed to increase the sustainability of the Program. Opportunities outlined in this sub-section support changes in resourcing to increase the program’s effectiveness, as well as broader long-term changes to further embed resourcing for inclusion within the Australian ECEC sector.
- 5 Monitoring and evaluation
 - This review explored the overall administration of the ISP, in particular the application process, documentation requirements, and the role and scope of key stakeholders such as the IAs and the IDFM. This sub-section includes a number of opportunities to increase monitoring and evaluation mechanisms in the Australian ECEC sector to inclusion-specific practice improvement and outcomes.

A brief overview of each policy area, including its relevance to the ISP, inclusion and the broader ECEC sector has been included at the start of each respective sub-section.

In formulating the following opportunities, the research team drew upon the comprehensive findings captured across Chapters 5 to 7 this report. However, opportunities drew on further information and analysis, and each opportunity is grounded in the specific evidence and analysis expounded upon in its respective chapter.

Drawing on this literature, and the review findings presented in Chapters 5, 6 and 8, the remainder of this chapter outlines opportunities for the Program into the future.

When considering opportunities to increase the efficiency and effectiveness of the ISP, the following aspects have been considered:

- evidence collected across the review process, including stakeholder and services' feedback
- relevance of opportunities to the context of services, including particular opportunities around OSHC and family day care
- ensuring future approaches are guided, where relevant, by academic research and examples of best practice in other settings
- timeliness of the change, including considering the practicality of implementation within a complex and multi-faceted ECEC system
- broader sectoral barriers to implementation, including current workforce challenges
- overall alignment to strategic vision and priorities of the Department and the Australian Government
- ensuring changes are grounded in a sense of social justice and are seeking to address the needs and interests of families, children and the broader community.

8.1 Recognising ongoing change within the Australian ECEC context

Recognising the complexity of the Australian ECEC sector through adopting identified opportunities over time

Considering both the overall complexity of the Australian ECEC sector, as well as the amount of regulatory and broader policy changes that have occurred across the sector over recent years, the opportunities outlined in this report must be considered as a long-term, evolving policy trajectory to enable a sustainable, inclusive ECEC system in Australia.

This approach allows the Australian Government to set a longer-term vision for inclusion in the Australian ECEC, while acting in the short-term to build the capacity and capability of the sector to adopt the future vision in a sustainable and meaningful manner. Furthermore, progressing these opportunities as a collective across the short, medium and longer-term ensures opportunities for consultation with providers, services, educators and families and enables room for adjustment if required.

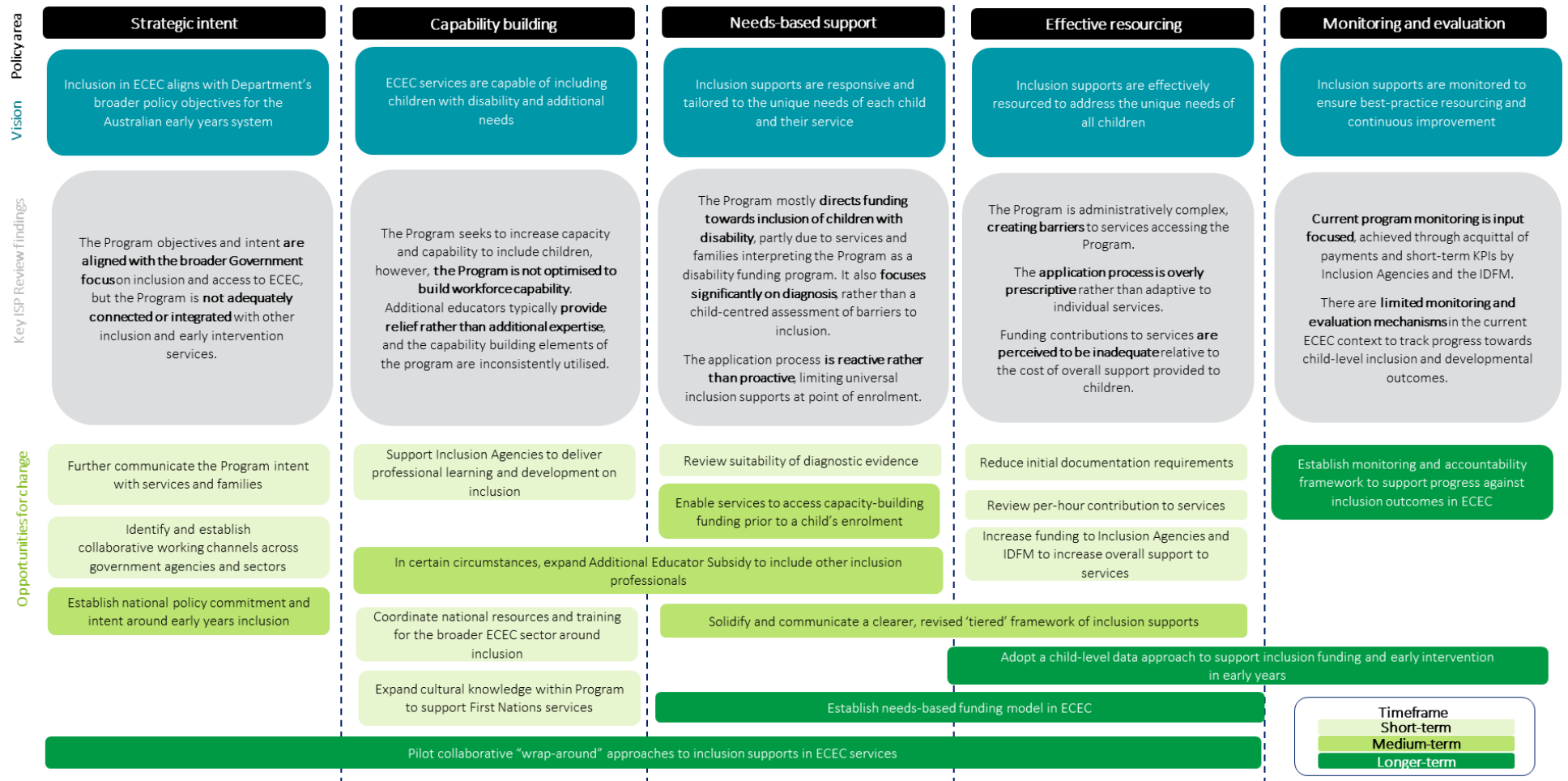
Noting these considerations, identified opportunities from this review have been categorised across three time periods for implementation.

- Immediate or short-term opportunities are those that involve changes to the programmatic settings of the ISP and could typically be implemented within 24 months. They may have budgetary implications.
- Medium-term opportunities are those that may involve more substantial changes to the ISP or to the supporting policy environment. They could be introduced between 18 months to four years from now – and would ideally follow implementation of relevant short-term opportunities.
- Long-term opportunities involve more substantial and sweeping changes to the ECEC policy landscape to support inclusion on a more systemic, structural basis. While these are more

wholesale changes, they could be introduced concurrent to changes in the ISP, and therefore be implemented within ten years.

These time periods are illustrative in nature, reflective of the ease of the change being proposed and time required for its implementation. Detailed implementation planning will be required to determine a precise timetable for change and the conditions required to ensure its successful achievement.

Figure 8.1: Overview of short-, medium- and long-term opportunities for the ISP



Source: Deloitte Access Economics (2023)

8.2 Strategic intent

Strategic intent refers to the clarity in purpose and aspirations that guide the actions and decisions of Australian governments in the ECEC space.

Under an ideal scenario, inclusion in ECEC would aligns with Department's broader policy objectives for the Australian early years system.

This review found that while the Program objectives and intent are aligned with the broader Government focus on inclusion and access to ECEC, but the Program is not adequately connected or integrated with other inclusion and early intervention services.

Consideration of the ideal scenario in light of the findings presented in the report has helped to identify a range of opportunities for consideration in the short and medium term.

The review found that the understanding of intent among providers, services, families and other agencies is not always clear. This hampered effective collaboration at the service level.

- Opportunity 1: Further communicate the intent of program to providers, services and families through a targeted communication strategy. This opportunity is detailed in Section 8.2.1.1 below.

The review also found that intergovernmental collaboration is not always sufficient to support collaboration.

- Opportunity 2: Strengthen and where necessary establish collaborative working channels between the Australian Government, states and territories and Inclusion Agencies (IAs) to identify and address barriers to inclusion across the ECEC system. This opportunity is detailed in Section 8.2.1.2 below.

In the medium term, there is an opportunity to strengthen this direction and establish a formal national policy commitment and intent in respect of inclusion in ECEC.

- Opportunity 3: Establish national policy commitment and intent behind supporting inclusion in ECEC (i.e., the "enabling context"). This is detailed in Section 8.2.2.1 below.

8.2.1 Short term opportunities: strategic intent

8.2.1.1 Communicate the Program intent

Opportunity 1 Further communicate the intent of program to providers, services and families through a targeted communication strategy

Description: Recognising the disconnect between the Program's broad definition of inclusion and additional needs, and the overall feedback from the sector in assuming that the Program is focused predominantly on disability, the Department should undertake additional work to communicate the intent of the Program to increase overall access to inclusive supports in services. This should be through a targeted communications strategy designed to: increase family engagement with, and awareness of, the ISP; and ensure consistent provider understanding of the ISP.

Justification: The ISP is framed by the definition of inclusion from the Early Years Learning Framework, which emphasises:

"taking into account all children's social, cultural and linguistic diversity (including learning styles, abilities, disabilities, gender, family circumstances and geographic location) in curriculum decision making processes".¹¹³

Findings from the review identified a lack of clarity around the intent of the Program among stakeholders, with services describing the Program in different ways. These varying explanations of the Program included varying understandings of inclusion, the rationale behind funding and, in some cases, the role of the additional educator. Further confusion was noted regarding eligibility for the Program, in particular for children unable to access the Child Care Subsidy (CCS). While some services noted that they are unable to support the inclusion of particular children from refugee or humanitarian backgrounds (without access to CCS), other stakeholders reiterated that only the service is required to be listed as CCS-eligible.

Educators across different service types identified challenges in communicating the intent of the Program to families, including around the role of the additional educator in supporting the capacity and capability of the service to include children with additional needs.

Survey respondents also expressed similar concerns. This may lead to feelings of frustration and confusion for families. Given that literature emphasises that family engagement is a critical factor in improving outcomes for children with disability and additional needs,¹¹⁴ it is necessary to consider how to improve collaboration with families, which includes providing them with simple and transparent information regarding supports available to their child through the ISP. This is particularly relevant to the OSHC services, where families asked why their children could not receive the same supports before and/or after school as what they had received during the school day through the schooling system.

Consultations with ECEC services indicated that terms such as 'inclusion' and 'additional needs' are primarily associated with disability and are often not associated with other forms of diversity or equity groups, such as children from culturally or linguistically diverse backgrounds who may face barriers to inclusion with peers.

Timeframe for implementation: 0-12 months

Intended impact: As a short-term outcome, this action is intended to support educators communicate the intent of the Program with families, reducing potential barriers to providing documentation. Communication materials provided to providers and services may also result in an increased uptake of resources, a reduction in perceived barriers to accessing the Program and a reduction in incorrect applications to the IDFM.

Additional considerations: Considering the diverse nature of the ECEC sector and Australian community, the Department may wish to consider developing communications materials in a number of different languages, as well as ensuring that any materials are written or recorded in Plain English and align with accessibility standards.

¹¹³ Australian Government Department of Education, *Inclusion Support Program Guidelines: Version 2.4* (September 2022) 7 <<https://www.education.gov.au/child-care-package/resources/inclusion-support-program-guidelines>>.

¹¹⁴ Glenys Mann et al, 'Developing productive partnerships with parents and carers' in Linda J. Graham (ed), *Inclusive Education for the 21st Century* (Routledge, 2020) 336. y

8.2.1.2 Identify and establish collaborative working channels

Opportunity 2 Strengthen and where necessary establish collaborative working channels between the Australian Government, states and territories and Inclusion Agencies (IAs) to identify and address barriers to inclusion across the ECEC system

Description: The Australian Government should establish working channels with states and territories, either bilaterally or through a nationally coordinated approach, to ensure that messaging and communications around program eligibility and broader inclusion is consistent.

These working channels should consider the role of Inclusion Agencies (IAs), state Regulatory Authorities (RAs) and ACECQA as key drivers of inclusive practices in services and enable their inclusion and contribution within these discussions.

Establishing working channels between inclusion-focused stakeholders may represent the first step in building coordinated, national intent behind inclusion in ECEC (*see longer-term opportunities*).

Justification: Document and literature review of current inclusion programs and funding delivered within the Australian ECEC sector has identified a range of stakeholders offering supports to services. In many cases, services may be accessing funding for inclusion supports through state and territory education departments (e.g., Victorian KIS program, QLD Kindy Uplift grant), while also seeking resources through the ISP offered by the Australian Government.

During consultations, nearly all stakeholders across services, peak bodies, advocacy organisations and state governments recognised challenges in navigating similar, yet different program eligibility requirements. In some circumstances, eligibility for the ISP may deem a service ineligible for funding under a state government program, leading to uncertainty for services around which programs they should consider most appropriate for their needs.

Timeframe for implementation: 0-12 months

Intended impact: While there are no assumed resourcing impacts for this opportunity, creating proactive working channels between the Australian Government, states and territories and Inclusion Agencies (IAs) may result in coordinated materials, guidance and communications to increase clarity to providers, services and families around appropriate inclusion funding and resources.

Additional considerations: The Australian Government may wish to consider the most appropriate working channels for this opportunity, such as through standing working groups in ECPG/EMM, such as the ECPG working group responsible for the National Vision for ECEC.

8.2.2 Medium term opportunities: strategic intent

8.2.2.1 Establish national policy commitment and intent

Opportunity 3 Establish national policy commitment and intent behind supporting inclusion in ECEC (i.e., the “enabling context”).

Description: The Australian Government should consider further establishing a national policy commitment and intent, through strategic policy discourse, to ensure that all educators and ECEC staff are empowered and feel confident to deliver inclusion in their services.

Opportunities to build this national consensus or commitment may be considered alongside other bilateral arrangements and strategies, including emphasising the importance of building inclusive practice in the proposed National Vision for ECEC.

Justification: Initial document and literature analysis identified a variety of ECEC-focused resources and programs focused on inclusion from a range of different perspectives. This includes materials produced by state and territory governments, the Australian Department of Education, as well as ACECQA through guidance framed by the National Quality Framework (NQF).

According to Warren et al,¹¹⁵ educational innovations to support inclusion are only able to be implemented once broader factors are considered, including the “enabling context” to ensure services have the capacity and capability to build their practices.

While legislative and regulatory frameworks (i.e., funding under the CCS/FAL and the standards and guidance under the NQF) currently assist services to deliver inclusive practices, stakeholder feedback pointed to a lack of clear overarching policy consensus or commitment among stakeholders across the ECEC policy landscape, particularly when it comes to inclusion.

Timeframe for implementation: 12-18 months

Intended impact: Establishing a national policy commitment to inclusion in ECEC is intended to enable consistent and coherent approach to inclusion across all ECEC settings, open discussion around the importance of inclusion within national discourse and empower services to foster and discuss inclusion with children and families.

Additional considerations: The process of building this national policy commitment should be inclusive and consultative, including feedback and ongoing representation across all relevant stakeholders, such as services, educators, families, children and relevant government agencies. Where possible, it should leverage existing processes associated with the Vision and National Strategy.

¹¹⁵ Jane Warren et al, ‘Small Steps: The Inclusion of Young Children with Disabilities in Australia, Greece, and Malaysia’ (2021) 45(2) *Australasian Journal of Special and Inclusive Education* 164.

8.3 Capability building

Capability building refers to the structures, systems and supports that allow services – and their leadership and educator workforce – to improve the inclusive service offering they provide and enhance the quality of provision for children who may be developmentally vulnerable.

Under an ideal scenario, ECEC services are capable of including children with disability and additional needs – and are constantly and consistently seeking to improve in this regard.

The review found that while there is a strong and stable quality improvement framework that supports the development of ECEC service capacity in a range of areas, that the provision of ECEC for children with diverse learning needs is not a consistent priority among services. Subsequently, in some ECEC settings, services can seek to create capacity to 'placate' the problem – rather than revising the way the service operates to genuinely support students.

The review found that one which is inconsistent across services is the capacity to provide culturally appropriate supports to Indigenous children and children from CALD backgrounds.

- Opportunity 4: Explore the current capability and opportunities to expand the cultural awareness and knowledge of Inclusion Agencies to support Aboriginal and Torres Strait Islander services, including opportunities for identified Inclusion Professionals and/or funding a national First Nations-specific Inclusion Agency. This is detailed in Section 8.3.1.1.

One of the key barriers at present is the limited scope of IAs to deliver professional learning to ECEC settings. This is a key opportunity to pursue in the immediate term.

- Opportunity 5: Expand scope of Inclusion Agencies to deliver targeted professional learning and development in effective inclusive practice to services accessing the Program. More detail is provided in Section 8.3.1.2.

The review identified inconsistencies in the types of resources being developed – with this often being done by IAs. While there is some advantage in supporting the development of tailored resources, there may also be a justification in the Australian Government developing resources centrally or providing a central 'clearinghouse' of resources.

- Opportunity 6: Deliver coordinated national sector-wide inclusion resources and training through partnership between ACECQA and Inclusion Agencies. This is detailed in Section 8.3.1.3.

The Inclusion Support Portal has the potential to act as a platform for ECEC services to assess their existing capability and plan how to address any potential capability gaps. However current challenges with the Portal prevent it from being used in this way. A final immediate opportunity for the Department is the revision of the Portal to enhance accessibility and usability.

- Opportunity 7: Make adjustments to the Inclusion Support Portal to increase access and useability, including enabling information in the SIP to be viewed on one page and limiting the number of different pages requiring to be accessed by the user.

In the medium term, the Department should consider the roll of Innovative Support Solutions funding in enabling capability. ISS funding is intended to support the flexible development of capability within services – however this would ideally be introduced in an environment that supported capability enhancement in a structural way.

- Opportunity 8: Review the ongoing appropriateness of Innovative Solutions Support funding following delivery of sector-wide and targeted professional learning and development by ACECQA and Inclusion Agencies.

Finally, in light of the evolving expectations around capability development, the Department should review the structure of Strategic Inclusion Plans and consider how these can be further used to pre-emptively shape inclusive practice at a service – i.e., not solely used in response to need for ISP funding.

- Opportunity 9: Revise the Strategic Inclusion Plan (SIP) to emphasise a stronger focus on pre-emptive inclusion strategies (prior to adjustments required).

8.3.1 Short-term opportunities: capability building

8.3.1.1 Expand cultural awareness of Inclusion Agencies

Opportunity 4 Explore the current capability and opportunities to expand the cultural awareness and knowledge of Inclusion Agencies to support Aboriginal and Torres Strait Islander services, including opportunities for identified Inclusion Professionals and/or funding a national First Nations-specific Inclusion Agency

Description: The Department should evaluate and provide opportunities to increase the cultural competency within the Inclusion Agencies. This focus may include establishing identified roles within the Program for Aboriginal and Torres Strait Islander Inclusion Professionals, and the creation of a National Aboriginal and Torres Strait Islander Inclusion Agency.

Justification: Consultation and engagement with First Nations services as part of this review recognised the importance of Inclusion Professionals in supporting services develop and maintain inclusive practices to support the inclusion of children with additional needs.

However, despite the relatively positive feedback about Inclusion Agencies more broadly, feedback suggested that further consideration could be made to the cultural capability and competency of IAs, particularly in recognising adjustments to support the needs of Aboriginal and Torres Strait Islander children within their particular cultural and community context.

Suggestions from First Nations services to address this implied knowledge gap ranged from the Department reviewing the current cultural capability and awareness of Inclusion Agencies and the IDFM, suggesting that Inclusion Agencies establish identified roles for Aboriginal and Torres Strait Islander Inclusion Professionals, and the creation of a National Aboriginal and Torres Strait Islander Inclusion Agency to provide supports to First Nations services accessing the Program.

It is notable that the current remit of Inclusion Agencies through the Program recognises the need for cultural competency, however findings from this review suggest that a further focus may be warranted around knowledge of Aboriginal and Torres Strait Islander history, culture and practice.

Timeframe for implementation: 12-18 months

Intended impact: The intended impact of this opportunity would be overall increased cultural competency within the Inclusion Agencies, potentially leading to more culturally aware supports for Aboriginal and Torres Strait Islander services. This could contribute to improved inclusion supports, recognising the cultural, social and community aspects of Aboriginal and Torres Strait Islander children.

Additional considerations: Any consideration around supporting Aboriginal and Torres Strait Islander services should reflect the voices of First Nations people and organisations within policy and program design. Therefore, a meaningful co-design process must be considered to ensure that the voices of Aboriginal and Torres Strait Islander people are centred within decision-making.

Furthermore, the opportunity to establish a National Aboriginal and Torres Strait Islander Inclusion Agency should not be seen as an alternative to enhancing cultural competency within all Inclusion Agencies, but rather work in conjunction to ensure that all IAs have the capability to provide culturally appropriate services.

8.3.1.2 Expand scope of IAs to deliver professional development

Opportunity 5 Expand scope of Inclusion Agencies to deliver targeted professional learning and development in effective inclusive practice to services accessing the Program

Description: To fully realise the objectives and intent of the ISP to increase ECEC services' capability and capability to include children with additional needs, the Department should enable Inclusion Agencies, including through partnerships with ACECQA, to deliver professional learning and development, training and resources relating to effective inclusive practice to services accessing, or seeking to access the Program.

Justification: Initial evaluation of program documentation identified the absence of professional learning and development activities through the ISP. Under the former IPSP program, professional learning and development activities fell under the remit of ISP Professional Support Coordinators (PSC). This removal of training was in response to a recommendation from the Productivity Commission Inquiry Report into ECEC released in early-2015 that "ECEC employers should accept primary responsibility for the funding and support of ongoing professional development".¹¹⁶

Academic literature spanning decades demonstrates that inclusive practice of educators is strengthened through ongoing professional learning and development.¹¹⁷ Literature therefore supports the prioritisation of bolstering educators' knowledge and skills in inclusive practice through targeted training.

During consultation with services, the majority of educators felt that they would benefit from additional training and professional learning and development as part of the Program, however felt that this is only possible through one-on-one engagement with an Inclusion Professional or seeking funding through Innovative Solutions Support. More broadly, there was significantly positive feedback to the notion of increasing professional learning and development to the sector, particularly around addressing particular behavioural challenges presented by children and communicating effectively with families. Further, many survey respondents expressed a desire for access to ongoing professional learning and development in an accessible manner.

Professional learning and development delivered by Inclusion Agencies at a larger scale, such as through online training, courses and webinars, may help to address identified barriers to accessing the Program, such as the application process and correct use of terminology. Furthermore, additional online materials and resources in relation to reflective practice and structuring a Strategic Inclusion Plan (SIP) may reduce the amount of time Inclusion Professionals (IPs) spend on preparing program-related documentation with services, enabling additional time to be focused on the floor with educators and observing practice.

While ACECQA, state government agencies and Regulatory Authorities (RAs) provide professional learning and development online around building the capacity of services to comply with requirement and standards set under the National Quality Framework (NQF), allowing Inclusion Agencies to partner with ACECQA would enable additional inclusion-focused training to support a greater understanding of how inclusion is framed and delivered in an ECEC service.

Finally, recognising the amendments to the *Disability Standards for Education 2005* (DSE) to include ECEC services, allowing Inclusion Agencies to deliver targeted professional learning and development around compliance may increase overall adherence with the new requirements. This particular focus on DSE training could be delivered in partnership with ACECQA, recognising the guidance and materials already produced to date.

Timeframe for implementation: 12-18 months

Intended impact: When considering resourcing of the Program, the opportunity for Inclusion Agencies to provide professional learning and development may reduce overall resourcing costs

¹¹⁶ Australian Government, Productivity Commission, *Childcare and Early Childhood Learning Inquiry Report* (n.d.) <<https://www.pc.gov.au/inquiries/completed/childcare/report>>.

¹¹⁷ Emma Wray et al, 'Factors influencing teacher self-efficacy for inclusive education: A systematic literature review' (2022) 117 *Teaching and teacher education* 1.

associated with the ISP, as increased ongoing capacity building with services may reduce reliance on the Additional Educator Subsidy and seeking professional training through the Innovative Solutions Support fund.

Furthermore, delivering professional learning and development in relation to particular areas and trends of program data, such as training around supporting and including children with autism, may result in increased use of best practice in services.

Additional considerations: A robust evaluation and feedback system should be put in place to ensure timely feedback on the effectiveness and relevance of the professional learning and development activities.

8.3.1.3 Deliver national resources in collaboration with external agencies

Opportunity 6 Deliver coordinated national sector-wide inclusion resources and training through partnership between ACECQA and Inclusion Agencies

Description: The Australian Government should ensure coordinated national sector-wide inclusion resources and training are developed through partnerships with ACECQA and Inclusion Agencies. To support the delivery of these resources, ACECQA and Inclusion Agencies should develop a national strategy to ensure ECEC services across Australia are accessing nationally consistent and coordinated inclusion resources and training in a timely and meaningful way.

Justification: As noted throughout consultation, stakeholders identified a lack of coherency between the intent of the Inclusion Support Program and inclusion-related elements under the National Quality Framework (NQF). Further, survey respondents expressed a need for access to targeted training and resources to build capacity and capability in inclusive practice. It is suggested that lessons can be learned from the adoption of a cohesive national approach to support the implementation of the NCCD in Australian schools through a central Portal hosting resources and training to assist schools in understanding the NCCD and building the capacity and capability of educators and schools in supporting the inclusion of students with disability.¹¹⁸

In particular, some Inclusion Agencies (IAs) raised concerns around having to provide support to services around broader management and leadership aspects to drive inclusion, which would traditionally be considered outside of scope of the Program and more so representative of Quality Standards and Elements under the NQS. This was considered attributable to the rate of turnover and stress placed on early childhood education and care staff and services, particularly post-pandemic, impacting on the capacity, capability and overall knowledge of ECEC staff around inclusion, engaging in reflective practice and broader themes of service quality, captured in the National Quality Standard, and pedagogy, guided by the Approved Learning Frameworks.

Timeframe for implementation: 12-18 months

Intended impact: Establishing coordinated resources between ACECQA and Inclusion Agencies may help to further align objectives under the Inclusion Support Program and inclusion-related elements under the National Quality Framework (NQF).

Additional considerations: The approach should consider the high turnover rate and current workforce challenges faced by the ECEC workforce, particularly post-pandemic. Therefore, any coordinated approach to delivering guidance may wish to prioritise accessible, online, time-limited and user-friendly resources.

¹¹⁸ Australian Government, Department of Education, Skills and Employment, *NCCD and supporting students with disability* (Education Services Australia, 2022) <<https://www.nccd.edu.au/>>.

8.3.1.4 Improve accessibility of the Inclusion Support Portal

Opportunity 7 Make adjustments to the Inclusion Support Portal to increase access and useability, including enabling information in the SIP to be viewed on one page and limiting the number of different pages requiring to be accessed by the user

Description: The Department should undertake changes to the Inclusion Support Portal to reduce the overall time taken by a user to complete required information, including amalgamating the number of pages required to input information for a SIP into one page. Current access requirements should also be reviewed to enable input by other early childhood professionals at a service, other than the identified user (i.e., designated user credentials for the Portal through PRODA registration).

Justification: Nearly all stakeholders identified the Inclusion Support Portal as one of the largest perceived barriers to accessing the Program.

When discussing application requirements, many services and educators often referred to the SIP and the Portal interchangeably. However, upon clarification. Nearly all respondents reiterated that they supported the role and intent of the SIP, however wanted significant adjustments to how information in the SIP is transcribed into the Portal. These sentiments were also reflected by many respondents through the survey data, with many expressing a desire for a smoother and less time-consuming process.

Consultation with stakeholders has indicated that ongoing changes are underway to address 'easy fix' elements of the Portal. It is important to note, however, that many services recognised the importance of the Portal, but criticised its functionality.

During consultation with services and provider as part of this review, the following themes were identified as particular concerns to be addressed:

- Challenges around navigating across pages, with stakeholders almost unanimously requesting that all relevant SIP/application information be included on the same page for easier viewing
- Opportunities to upload the SIP as an attachment into the Portal as a form of evidence, rather than requiring materials to be rewritten into text fields in the system.

Opportunities to expand access to the Portal outside of identifier users' PRODA registration, to enable easier contributions and review by educators in services.

Timeframe for implementation: 0-18 months

Intended impact: Adjusting the Portal to increase overall useability is intended to improve services' satisfaction and perceptions of the application process. This may reduce perceived barriers to applying for funding under the ISP.

Additional considerations: The Department may wish to consider a real-time user feedback tool within the Portal to continuously gather feedback and make further improvements based on users' experiences.

8.3.2 Medium-term opportunities: capability building

8.3.2.1 Review appropriateness of ISS funding

Opportunity 8 Review the ongoing appropriateness of Innovative Solutions Support funding following delivery of sector-wide and targeted professional learning and development by ACECQA and Inclusion Agencies.

Description: Following the delivery of sector-wide and targeted inclusion-focused professional learning and development by ACECQA and Inclusion Agencies, the Department should review the appropriateness of Innovative Solutions Support funding provided under the IDF.

Note: As IAs do not deliver training and development resources in the current program, it is suggested that the Department review the appropriateness of Innovative Solutions Support funding only after reviewing the capacity of IAs to deliver these resources in the near term. This staggered approach to reviewing professional learning and development reduces the risk of creating gaps in current provision of professional learning and development resources in the case that IAs are unable to effectively deliver this training in a timely and accessible manner.

Justification:

During consultations, many services highlighted that they are using funding under the Innovative Solutions Support funding stream of the IDF to enable professional learning and development and specialist training around disability for staff in their services. Feedback received through stakeholder consultation suggested that case studies may be helpful to model examples of how services could make best use of funding through ISS.

In multiple interviews, services advised that they would prefer professional learning and development about inclusion practices to be provided to them proactively by Inclusion Agencies, reducing the administrative burden of applying for the Innovative Solutions Support funding, and then procuring and arranging attendance of professionals at the service.

Timeframe for implementation: 12-24 months

Intended impact: If coupled with increased professional learning and development opportunities from Inclusion Agencies, this opportunity is expected to reduce the administrative burden placed on services in independently arranging staff training through the Innovative Solutions Support funding stream.

Additional considerations: The Department may wish to analyse the potential impacts on service providers who have relied heavily on the Innovative Solutions Support funding, prior to any decision around the funding stream post-review. If the stream is discontinued, measures should be put in place to support these services during the transition.

8.3.2.2 Emphasise pre-emptive inclusion strategies

Opportunity 9 Revise the Strategic Inclusion Plan (SIP) to emphasise a stronger focus on pre-emptive inclusion strategies (prior to adjustments required)

Description: The Department should make amendments to the Strategic Inclusion Plan (SIP) to further emphasise pre-emptive inclusion activities and strategies, to ensure services are adequately prepared to take on children with additional needs at point of enrolment. This may include minor changes to the format or wording included in guides and templates to emphasise:

- the proactive nature of the tool
- how the SIP aligns with broader workforce planning and knowledge
- its alignment to regulatory expectations for services under the NQF, including its connection with a service's QIP and its use as evidence within the assessment and rating process (A&R).

Justification: Consultation with services suggested that SIPs are often perceived as a tool to receive resources when a child with additional needs had enrolled at the service. However, the SIP can be used as a proactive tool to identify broader barriers to inclusion in care environments prior to a relevant child attending the service.

As one stakeholder noted during consultation, there may be opportunities to ensure the SIP emphasises the "*planning behind the planning*", to ensure services can respond effectively when a child enrolls and requires additional supports.

Approaches enabling pre-emptive inclusion strategies prior to an identified child enrolling at the service align with similar state government inclusion programs, such as the Queensland Government's *Kindy Uplift* program which provides services with grant funding to enable inclusion preparedness.¹¹⁹

Timeframe for implementation: 12-24 months

Intended impact: The development of a revised SIP which emphasises proactive and ongoing capacity building is intended to facilitate a smoother transition and improved readiness for children with additional needs, ensuring they receive necessary adjustments and supports as soon as possible after enrolment at the service.

Additional considerations: The Department would need to consider adequate sector training and resources if revising the SIP's formatting, including building an understanding of how a proactive SIP supports the capacity and capability of a service to support a child with additional needs, despite the child not yet being enrolled in the service.

¹¹⁹ Queensland Government, Early Childhood Education and Care, *Kindy UPLIFT* (03 February 2023) <<https://earlychildhood.qld.gov.au/funding-and-support/grants-tenders-and-funding/kindy-uplift-pilot>>.

8.4 Needs-based support

Needs-based support refers to the determination and distribution of support on the basis of need – that is, children’s developmental and functional need in reference to the existing capacity of the education system to meet that need. This approach to supporting children emphasises the professional judgement of educators, who are considered to be best placed to determine the level of support a child requires to be included in an education setting.

Under an ideal scenario, inclusion supports would be responsive and tailored to the unique needs of each child and their service. In the context of the ISP, this would mean a resourcing model which genuinely considers the functional needs and support requirements of all children – with limited explicit criteria based on identifying characteristics. Further, this approach aims to address barriers to inclusion by providing targeted assistance to children based on their individual needs. By tailoring support to children’s specific needs, this approach strives to promote equitable access to opportunities and resources.

This review found that one of the key challenges of the ISP at present is the focus of the Program on inclusion of children with disability, and within that, a significant focus on diagnosis rather than adopting a child-centred assessment of barriers to inclusion. The application process is also described as being reactive rather than proactive, limiting inclusion supports and strategies at the point of enrolment.

- Opportunity 10: Review the suitability of diagnostic evidence requirements within the current program. This opportunity is detailed in Section 8.4.1.1.

This review identified that OSHC services providing before and after school care for school-aged children in specialist settings (e.g., schools for specific purposes) are ineligible for the ISP.

While OSHC services receive Australian Government funding through the Child Care Subsidy, the ISP Guidelines do not allow additional inclusion funding for these services, as they are assumed to already have adequate capacity and capability to care for children with additional needs. In light of consultation feedback, the Department should consider the impact of this decision for OSHC services in specialist settings and whether this determination is still relevant or appropriate.

- Opportunity 11: Review the current eligibility and supports available to OSHC services in specialist settings. This opportunity is detailed in Section 8.4.1.2.

There may be a further opportunity to consider application requirements for OSHC services specifically – reflecting their unique context.

- Opportunity 12: Review and adjust application requirements for OSHC services accessing the ISP, recognising their unique context compared to other centre-based ECEC services. This opportunity is described in Section 8.4.1.3.

The review identified sentiments that the IDF application process is in some cases not determined based on need but on compliance with prescribed rules of language and terminology.

- Opportunity 13: Review the IDFM’s internal approach to evaluating funding applications, including the use of language by services. This opportunity is detailed in Section 8.4.1.4.

While collecting documentation from services is intended to ensure that Program funding is being used appropriately, it may be beneficial to consider a future approach in which services receive immediate funding through a process where services and Inclusion Professionals identify children requiring additional support and collect documentation over time.

- Opportunity 14: Revise initial documentation requirements to increase time responsiveness of funding. This opportunity is detailed in Section 8.4.2.1.

8.4.1 Short-term opportunities: Needs-based support

8.4.1.1 Review suitability of diagnostic evidence requirements

Opportunity 10 Review the suitability of diagnostic evidence requirements within the current program

Description: The Department should review current diagnostic evidence requirements within current program eligibility and consider adopting alternative approaches to identify eligibility for funding. In particular, the Department should adopt approaches of imputing disability, in which observation or assessment by early childhood professionals (such as Early Childhood Educators and Inclusion Professionals) can act as supporting evidence rather than requiring a clinical documentation in relation to a diagnosis.

Justification: The review identified that current program requirements require services to collect and submit diagnostic evidence around the particular needs of a child due to disability. In addition, consultation with services and disability advocates during this review, along with feedback collected from survey respondents, pointed to significant disparities in access to child health professionals across Australia, both from a geographical and financial standpoint.

Reliance on diagnostic evidence is inconsistent with a contemporary, functional-need based view of inclusion and may inadvertently exclude or overlook children who lack formal diagnoses due to disparities in healthcare access or the nuanced nature of their developmental conditions. This is particularly relevant for migrant families where language barriers may obstruct access to assessment and diagnosis, and for those in regional and remote locations who may lack timely access to a health professional to provide a formal diagnosis. In other instances, families may have personal reasons for not pursuing a diagnosis for their child.

Therefore, the use of diagnostic evidence to inform funding under the ISP can act as a barrier to inclusion by limiting or significantly delaying services' access to the Program.

A diagnosis-centric model may tend to emphasise a child's deficits due to disability, rather than abilities and potential,¹²⁰ which aligns with the medical model of disability and contravenes the broader spirit of inclusion and intent of the Program. Literature emphasises the benefits of educators adopting the social model of disability when including children with disability and additional needs in education settings.¹²¹ Shifting program eligibility and documentation requirements towards a strengths-based approach aligns with similar inclusion funding programs in Australia, such as the 'QLD Kindy Uplift' program¹²² which has adopted an approach that recognises imputed disability and enables grant funding to be used flexibly to support adjustments to learning.

Adopting an approach of imputing disability may address current barriers faced by stakeholders in relation to families' inadvertent withholding of child information, particularly due to fear of disclosure leading to discrimination. Many services noted that conversations with families around obtaining diagnostic information from health professionals are often challenging, particularly for vulnerable families (such as those on visas or conditional residency permits) who may face repercussions because of medical diagnosis of health conditions within the family. Survey data revealed similar findings, whereby services reported instances where families have been reluctant to disclose details of their child's diagnosis. Therefore, a shift away from requiring medical

¹²⁰ Bernadette Macartney, *Early childhood education and barriers to inclusivity: Working toward a fairer system. A background paper prepared for Child Poverty Action Group (CPAG)* (Child Poverty Action Group, December 2016) <<https://ieag.org.nz/assets/Uploads/Early-Childhood-education-barriers-to-inclusivity-.pdf#:~:text=Ensuring%20the%20rights%20and%20access%20of%20every%20child,relationship%20between%20targeted%20funding%20for%20attendance%20and%20exclusion>>.

¹²¹ Linda J. Graham et al, 'Fundamental Concepts of inclusive education' in Linda J. Graham (ed), *Inclusive Education for the 21st Century* (Routledge, 2020) 27.

¹²² Queensland Government, Early Childhood Education and Care, *Kindy UPLIFT* (03 February 2023) <<https://earlychildhood.qld.gov.au/funding-and-support/grants-tenders-and-funding/kindy-uplift-pilot>>.

documentation would provide services and families with a less stigmatising approach to enabling inclusion.

Finally, shifting away from diagnostic criteria towards a model of imputing disability would support the alignment of criteria under the ISP with approaches to identification of disability and additional needs in other educational settings, such as in schools through the Nationally Consistent Collection of Data (NCCD).¹²³

This shift away from requiring diagnostic information may be particularly relevant considering the intended expansion of the *Disability Standards for Education 2005* (DSE) to include ECEC services.¹²⁴

Timeframe for implementation: 0-12 months

Intended impact: This opportunity is likely to significantly increase overall access to the Program, in particular for services and families in regional and remote locations in which health care may be limited. Furthermore, shifting away from requiring diagnostic information is expected to increase services' ability to apply for funding in a timely manner.

This shift towards imputing disability may also reduce fear or stigma by families attached to seeking medical diagnoses, recognising that not all families will be comfortable accessing a health professional to diagnose their child.

Additional considerations: If shifting towards recognising imputed disability in line with the DDA, the Department should consider how applications would be considered, including giving consideration to the value of 'observations' as a potential approach to help determine eligibility for the Program. Observations could help to ensure that resources are appropriate and meet the needs of the service and child. There is also potential for overall funding provided under the Program to expand, although this would depend on the final specification of any new eligibility requirements.

A potential approach could involve an Inclusion Professional (IP) attending the service to observe a child within the setting, discussing the observations with the educators, the child's family and other providers if relevant (e.g., allied health professionals and/or NDIS providers), and using their collective judgement to identify eligibility for the Program. Criteria would need to be established to ensure that the process for imputing disability is consistent across Australia to ensure strong program governance.

¹²³ Australian Government, Department of Education, Skills and Employment, *Imputing disability for the NCCD* (Education Services Australia, 2021) < <https://www.nccd.edu.au/tools/imputing-disability-nccd>>.

¹²⁴ Australian Government Department of Education, *Final Report – 2020 Review of the Disability Standards for Education 2005* (12 March 2021) <<https://www.education.gov.au/disability-standards-education-2005/2020-review-disability-standards-education-2005/final-report>>.

8.4.1.2 Review support available to OSHC services in specialist settings

Opportunity 11 Review the current eligibility and supports available to OSHC services in specialist settings

Description: The Department should review the extent to which current program eligibility requirements exclude OSHC services operating in specialist settings (such as in specialist schools), and whether resourcing through the Program can be expanded to include these services.

Currently, OSHC services in specialist settings (such as in specialist schools) with larger cohorts of children with additional needs are ineligible to access support under the ISP. This is due to an expectation that these services already have adequate capacity and capability to support children with additional needs.

Justification: Consultation with OSHC providers identified current funding gaps within existing program arrangements, particularly for before and after school care services provided in specialist settings (e.g., schools for specific purposes). At current, these services are ineligible to receive funding under the ISP due to the Program objectives and intent focusing on supporting the inclusion of children in mainstream services.

As these OSHC services operate in specialist settings – i.e., within school sites providing education to children with disability and/or additional need – the Program does not enable providers to access funding or resources to support inclusion. This is due to the expectation that these services have adequate capacity to support children with additional needs.

Families may choose to enrol their child in an OSHC service within a specialist setting due to the access this provides to purpose built facilities that meet their child's individual needs. With the current ISP Guidelines precluding these children from being eligible for funding through the ISP, it is worth considering whether adopting a targeted approach to contributing resources is warranted to recognise the additional resource needs being currently fulfilled by these providers due to definitional eligibility from the Program.

Timeframe for implementation: 0-12 months

Intended impact: This would represent a shift in existing program activity, addressing funding gaps, particularly for ECEC services in specialist settings who are ineligible for funding due to the interpretation of inclusion in program guidelines. A reconsideration of funding eligibility for OSHC services in specialist settings would support increased overall access to the Program and the flow-on effects of including children with additional needs.

Additional considerations: N/A

8.4.1.3 Adjust application requirements for OSHC services

Opportunity 12 Review and adjust application requirements for OSHC services accessing the ISP, recognising their unique context compared to other centre-based ECEC services

Description: The Department should review the application requirements for OSHC services to reduce perceived barriers to accessing the Program, as well as alleviating administrative burdens placed on OSHC providers and services. In particular, the Australian Government should review the need to maintain multiple SIPs in circumstances where an OSHC service provides before after school care and vacation care.

The Australian Government should also consider how the inclusion of ECEC in the DSE (including OSHC services) would inform the approach to funding and provision of support to school-aged children with disability and additional needs when accessing OSHC services, particularly when accessing services located within the school they attend.

Justification: When applying for IDF funding under the ISP, OSHC services are expected to comply with similar documentation and application requirements as other centre-based services, despite their unique, often school-based environments, hours of operation, staffing qualifications and patterns of child attendance. In addition, OSHC services are expected to submit a different Strategic Inclusion Plan (SIP) for each type of care provided, resulting in many services having to submit and update three separate SIPs – for before school care, after school care and vacation care.

In the sector survey, one OSHC service noted:

'How can the inclusion support be approved for a child in vacation care, but NOT be approved for the same child in the before and after program?'

This duplication of documentation was specifically highlighted by several OSHC services and stakeholders, who noted that the requirement for multiple SIPs resulted in significant administrative burdens for services accessing the ISP.

Timeframe for implementation: 0-12 months

Intended impact: Streamlining the application process for OSHC services is assumed to reduce overall perceived barriers in accessing the Program. A reduction in administrative burdens placed on staff in OSHC services and provider could also free up staffing resources to focus more comprehensively on applying inclusive practices within the OSHC service.

Additional considerations: The Department should carefully review the unique needs and characteristics of OSHC services to ensure that the adjusted application requirements align with the reality of OSHC settings, while also not compromising the quality or thoroughness of the SIP or the broader ISP application process.

8.4.1.4 Review approach to evaluating funding applications

Opportunity 13 Review the IDFM’s internal approach to evaluating funding applications, including the use of language by services.

Description: The Department should review the IDFM’s internal approach to evaluating IDF applications to ensure that applications are not rejected due to superficial elements of the application process.

Justification: Consultation with stakeholders, providers, services and educators raised issues relating to how applications are developed and approved for funding. In particular, educators raised frustrations around the need to use precise, inclusion-focused terminology within their applications in order for funding to be approved.

Several providers and services reiterated that they had faced experiences of applications being rejected, not due to a lack of appropriate intent or understanding of the Program’s objectives, but due to inadvertent errors or incorrect use of prescribed language within documentation. This sentiment is also evident in feedback received from survey respondents, who found the process overly onerous and found the emphasis on semantics in the applications unnecessary.

Timeframe for implementation: 0-12 months

Intended impact: By reviewing the current internal application process for IDF funding, the Department can increase its understanding of internal processes of the IDFM and seek to address any challenges or barriers to IDF applications. This review may also allow for additional communications to services around ‘common mistakes’ to ensure services are mindful of best practice when developing and submitting applications for IDF support.

Additional considerations: N/A

8.4.2 Medium-term opportunities: needs-based support

8.4.2.1 Revise initial documentation requirements

Opportunity 14 Revise initial documentation requirements to increase time responsiveness of funding

Description: The Department should revise current documentation requirements for program support, including adopting a revised process to IDF funding where services receive funding immediately at point of application, collecting and providing documentation (as collected) over a defined time period following the initial request for funding.

As the current program guidelines, the initial application for funding under the IDF could be endorsed by the Inclusion Professional/Inclusion Agency with oversight over the particular needs and context of the service.

This approach to collecting evidence over time would likely involve services collecting records of supporting evidence across several areas, adopting an approach similar to that which is required by schools for the Nationally Consistent Collection of Data (NCCD). For example, this could include evidence of the individual needs of children, evidence of adjustments being provided to support the child's identified need, evidence of ongoing monitoring and review of adjustments, and evidence of consultation and collaboration with the child's family. Services could provide supporting documentation over time, building evidence of an ongoing case for funding.

This approach would address significant concerns that the application process is overly prescriptive regarding documentation, as highlighted during stakeholder and service consultations and identified through survey responses.

Justification: Evidence from stakeholder consultation and the sector survey as part of the ISP review suggests that documentation requirements act as a key barrier to services accessing supports under the Program.

In addition, despite Immediate/Time-Limited funding being available to services as part of the ISP, stakeholders and services raised concerns around the approval time for applications, as well as the initial documentation needing to be collected from families to fulfil the initial application requirement.

Timeframe for implementation: 12-24 months

Intended impact: Revising initial documentation requirements for supports under the ISP is assumed to increase the responsiveness of funding, through enabling immediate financial payments to services, with the collection of documentation to follow. The reduction in initial documentation may also reduce perceived barriers to accessing the Program, prompting an increase in the number of services applying for, and accessing resources through the ISP.

Additional considerations: If considering this opportunity, the Department would need to ensure that adequate reporting and financial compliance tools and activities are in place to enable the timely review of payments. Furthermore, there may need to be alterations to the Inclusion Support Portal to enable the submission of documentation over time, including how often the IDFM would be required to approve revised documentation in the system.

Further consideration would be needed as to the appropriate timeframes for completing documentation requirements post-initial funding, as well as the consequences of inappropriate applications for funding under the Program.

8.5 Effective resourcing

Effective resourcing refers to ensuring inclusion supports are effectively resourced to address the unique needs of all children.

This review sought to understand how the current ISP is resourced, the overall demand for inclusion supports, and whether any changes are needed to increase the sustainability of the program. Opportunities outlined in this sub-section support changes in resourcing to increase the program's effectiveness, as well as broader long-term changes to further embed resourcing for inclusion within the Australian ECEC sector.

This review found that while there are aspects of the program that seek to guide services towards effective resource use and capability development, the funding mechanism within the program is complex, inflexible and typically regarded as inadequate by services.

The family day care top-up (FDC Top-Up) has not been effectively utilised in relation to its total allocated amount, and take-up of the FDC top-up is substantially lower than supports offered to centre-based services. There is an opportunity to conduct a specific review of this aspect of the ISP given the unique requirements of this service.

- Opportunity 15: Review the appropriateness of the FDC top-up subsidy and consider alternative funding arrangements and resources to increase FDC educators' capacity and capability

While educators, providers and broader stakeholders support the additional educator subsidy within the Program, the current funding rate of \$23-per-hour is not consistent with the total financial expenditure required to employ the additional educator.

- Opportunity 16: Consider an adjustment to the hourly rate for Additional Educator Subsidy, noting a lack of defined increase in funding since initial funding agreement in 2016. This is described in Section 8.5.1.2.

The IDFM and IAs play an important role in the administration of the ISP, both in terms of managing the distribution of funding as well as supporting the development of inclusive capability in ECEC services. However, despite this role, increasing complexity and substantial growth in the sector overall, funding for these lines has not increased with either population or price growth in over 7 years.

- Opportunity 17: Increase funding to the IDFM, at minimum in line with Consumer Price Index (CPI) since 2016, to enable increased resourcing to reduce application times. This is described in Section 8.5.1.3.
- Opportunity 18: Increase funding to Inclusion Agencies, at minimum in line with Consumer Price Index (CPI) since 2016, to enable increased engagement of Inclusion Professionals. This is described in Section 8.5.1.4.

There is limited flexibility in the use of the IDF and the Additional Educator subsidy in hiring different kinds of professionals who may enhance the inclusive capability of a service.

- Opportunity 19: In particular circumstances, consider expanding the Additional Educator Subsidy to include other inclusion professionals, such as bicultural workers, community workers and other relevant professionals. This is described in Section 8.5.2.1.

Contemporary research into inclusive practice and policy in education highlights the importance of a tiered approach to support and resourcing. This is a way of conceptualising and communicating resourcing which fundamentally promotes universal capability development and positions individualised supports as building upon broader supports offered by a service. One mechanism which may support in the adoption of a tiered support framework is the ability of services to systematically access a grant to develop capability, prior to or in anticipation of enrolment of children with additional needs.

- Opportunity 20: Solidify and communicate a tiered approach to funding inclusion supports for ECEC services. This is described in Section 8.5.2.2.
- Opportunity 21: Enable services to access capacity-building funding prior to enrolment. This is detailed in Section 8.5.2.3.

8.5.1 Short-term opportunities: effective resourcing

8.5.1.1 Review appropriateness of the FDC top-up subsidy

Opportunity 15 Review the appropriateness of the FDC top-up subsidy and consider alternative funding arrangements and resources to increase FDC educators' capacity and capability

Description: The Department should consider adopting flexible approaches to funding capacity and capability in family day care (FDC) settings, including increasing access to inclusion-focused training and resources to FDC educators to support the overall confidence and capability of the FDC workforce to care for children with additional needs.

Justification: Consultations and program data analysis indicates that the family day care top-up (FDC Top-Up) has not been effectively utilised in relation to its total allocated amount.

Departmental and broader stakeholders have recognised that take-up of the FDC top-up is substantially lower than supports offered to centre-based services, indicating that current supports offered to FDC services are not appropriate.

More specifically, while centre-based services receive funding towards an additional educator through the IDF, the FDC top-up effectively subsidises the removal of an allocated place for a child at an FDC residence to enable increased attention of the FDC educator. FDC services and broader stakeholders noted a lack of incentive for FDC services (i.e., providers) to access the Program, as the top-up amount effectively reduces the amount of funding that an FDC services can charge in fees through the CCS and families.

Furthermore, a number of FDC educators noted that they found the current FDC top-up to be inflexible to support the additional needs of children on a day-to-day basis and suggested alternative approaches such as an 'FDC-specific grant' to enable the purchase of residential adjustments to enable increased inclusion.

Several educators also raised concerns around the level of confidence and capability of the current FDC workforce, noting that inadvertent gatekeeping of children from FDC services may often be a result of fear of being unable to meet the needs of a child in a single-educator residence.

Timeframe for implementation: 0-12 months

Intended impact: While the FDC top-up represents a relatively small number of resources compared to centre-based services, identifying flexible approaches to the allocation of FDC-specific funding will ensure that FDC-specific barriers to inclusion funding are reduced.

Additional considerations: *N/A*

8.5.1.2 Consider an adjustment to hourly rate

Opportunity 16 Consider an adjustment to the hourly rate for Additional Educator Subsidy, noting a lack of defined increase in funding since initial funding agreement in 2016

Description: Recognising that the contribution towards the additional educator has not increased in a number of years compared to the real cost of wages, the Department should consider an increase to the proportionate contribution of an additional educator wage in line with current award rates and wage expectations within a low-unemployment labour market. This adjustment is particularly important for smaller, not-for-profit services or services in vulnerable and disadvantaged areas who may face increased pressures around financial viability.

Justification: Evidence collected from this review through the national survey and broader consultation has suggested that while educators, providers and broader stakeholders support the additional educator subsidy within the Program, the current funding rate of \$23-per-hour is not consistent with the total financial expenditure required to employ the additional educator.

Discussions with the department and broader program documents has indicated that the intent behind the subsidy is to provide a contribution towards the wage of an additional educator, rather than a full subsidy of the educator's wage. However, nearly all stakeholders considered this inappropriate, recognising the financial disincentive that taking on an additional educator places on services to support inclusion. Feedback received through survey responses also expressed frustration at this perceived discrepancy between the funding rate and actual cost of employing an additional educator.

It would be wise to consider providing advice to educators and services around the effective utilisation and deployment of an additional educator, in light of literature that demonstrates that ineffective use of paraprofessionals may lead to inadvertent and unintentional segregation of children with additional needs,¹²⁵ which is contrary to the intention of providing an additional staff member to support inclusive practice.

Timeframe for implementation: 0-12 months

Intended impact: In isolation, increasing the proportionate/overall per-hour contribution towards an additional educator wage is assumed to require an increase in the overall resourcing required to financially maintain the Program.

Adjusting the department's per-hour contribution may reduce perceived barriers to accessing the Program, by increasing the attractiveness of program to prospective services.

Reducing the overall financial impost placed on services currently receiving an additional educator is expected to increase the financial viability of these services, particularly for smaller, not-for-profit services or services in vulnerable and disadvantaged areas.

Additional considerations: The Department will need to consider more comprehensively its position as to whether the funding is a contribution or a whole-of-wage subsidy. Furthermore, the Department would need to examine whether it has the financial resourcing within the current budgetary allocation to undertake this opportunity, recognising the current \$34 million overspend in the additional educator component of the Program in FY2022-23.

¹²⁵ Michael Giangreco, 'Maslow's Hammer: Teacher Assistant Research and Inclusive Practices at a Crossroads' (2021) 36(2) *European Journal of Special Needs Education* 278.

8.5.1.3 Increase administrative funding for the IDFM

Opportunity 17 Increase funding to the IDFM, at minimum in line with Consumer Price Index (CPI) since 2016, to enable increased resourcing to reduce application times

Description: As a key element of the Program, the Inclusion Development Fund Manager (IDFM) is responsible for reviewing and approving all applications for IDF funding across the country. The Department should consider increasing overall funding provided to the IDFM to ensure that IDF applications are processed efficiently and to increase the responsiveness of the Program.

Justification: Stakeholder feedback from services and providers nationally has indicated concerns around the responsiveness of the application process, in particular the time it takes for an application to be approved in the Portal, through IAs and the IDFM.

While the substantial increase in overall cases by services as part of the Program year-on-year, the amount of funding allocated to the IDFM has not increased since 2016, including a lack of adjustments due to CPI.

It is important to note that the Department has engaged proactively with the IDFM over recent years to address resourcing challenges, recognising that the previous tender agreement does not include additional funding above the 2016-stipulated levels.

Moving forward, however, further consideration should be made to the way in which funding to the IDFM is responsive to the overall number of applications reviewed and approved.

Timeframe for implementation: 12-18 months

Intended impact: Increasing funding to the IDFM, at least in line with CPI increases since 2016, is expected to have a positive impact on the efficiency and responsiveness of the IDF application process, reducing wait times for services in accessing ISP funding.

Additional considerations: The Department will need to consider how the additional funding would be provided to the IDFM in line with current tendering arrangements for the Program.

8.5.1.4 Increase funding to IAs

Opportunity 18 Increase funding to Inclusion Agencies, at minimum in line with Consumer Price Index (CPI) since 2016, to enable increased engagement of Inclusion Professionals

Description: As a key component to the Program, Inclusion Agencies are responsible for providing day-to-day, and at times, intensive support to ECEC services to ensure the inclusion of children with additional needs.

The Department should consider increasing overall funding to Inclusion Agencies, in particular to increase the number of Inclusion Professionals (IPs) and to increase the amount of face-to-face support on offer for services by IPs.

Justification: Stakeholder feedback identified a range of challenges faced by Inclusion Agencies (IAs) in fulfilling their intended role as part of the Program, with the most substantial linked to the resourcing provided by the Australian Government on a recurrent basis.

It is important to note that the Department has engaged proactively with Inclusion Agencies (IAs) over recent years to address resourcing challenges, recognising that the previous tender agreement does not include additional funding above the 2016-stipulated levels. Moving forward, however, further consideration should be made to the way in which funding is responsive to services' demand for program supports.

Nearly all services and providers supported the opportunity to work with their Inclusion Agency, with broad sector feedback in support of Inclusion Professionals (IPs) as a valuable tool for building capacity and capability for inclusion and reflective practice at the service.

However, many services noted that support is infrequent and often less than needed to enable more comprehensive support around building capability and inclusive practices at services. Survey responses indicated a general sense of appreciation and gratitude for any support provided from Inclusion Professionals.

Through consultation with Inclusion Agencies, this review identified resourcing limitations impacting the level of support the IAs can provide to services, with many IAs prioritising services with the identified 'greatest need' and focusing on supporting services access the Program.

This resourcing challenges have led to shifts in practice, such as reducing the amount of 'follow up visits' conducted by IAs to services and limiting the amount of face-to-face engagement with educators and service staff due to the financial costs of travel.

Research indicates that capacity and capability is directly influenced by educators' internal attributes such as their confidence as an inclusive practitioner and their attitudes and beliefs towards inclusion.¹²⁶ Inclusion Professionals indirectly play a role in positively influencing these attributes of educators.

Timeframe for implementation: 12-18 months

Intended impact: It is assumed that increasing funding to Inclusion Agencies will support the overall increase in attention and engagement by Inclusion Professionals with ECEC services.

While further analysis over time would be needed, this increase in resourcing may impact the number of services applying for additional educator funding due to the availability of more comprehensive supports by IAs.

¹²⁶ Emma Wray et al, 'Factors influencing teacher self-efficacy for inclusive education: A systematic literature review' (2022) 117 Teaching and teacher education 1.

8.5.2 Medium-term opportunities: effective resourcing

8.5.2.1 Review limitations of the Additional Educator Subsidy

Opportunity 19 In particular circumstances, consider expanding the Additional Educator Subsidy to include other inclusion professionals, such as bicultural workers, community workers and other relevant professionals

Description: The Department should consider expanding the scope of eligible persons able to be funded through the Additional Educator Subsidy, to enable broader community, allied health and social workers in the place of the current additional educator.

Justification: Recognising the need for further analysis and consideration, consultation with services and broader sector stakeholders coupled with responses received through the sector survey, identified opportunities to engage broader community, allied health and social workers to support the capacity and capability of services to include children with additional needs. This extends beyond children with disability and serious medical conditions, to include children with other additional needs such as those who present with challenging and/or trauma-related behaviours, Aboriginal and Torres Strait Islander children, and children from refugee or humanitarian backgrounds. Literature also supports a collaborative approach to inclusion, with models such as MTSS strengthened through partnerships with external professionals.¹²⁷

This opportunity has been identified recognising current workforce challenges facing the ECEC sector, particularly in regional and remote areas. Enabling the employment of other inclusion support workers in the place of the current additional educator role would require a clear understanding of the role, an understanding around the suitability of staff members acting in that role, as well as a defined process to ensure the fitness and propriety of the relevant inclusion support staff members within the ECEC setting.

Timeframe for implementation: 12-24 months

Intended impact: Broadening the scope of the Additional Educator Subsidy is assumed to strengthen supports for children with additional needs within the ECEC sector, providing a more inclusive and holistic approach to their care and education. Furthermore, enabling a broader range of individuals to fulfill the additional educator role could potentially alleviate the current ECEC workforce challenges, particularly in regional and remote areas.

Additional considerations: Considering this opportunity would require a careful examination of legal, regulatory and funding implications of employing non-qualified ECEC staff, particularly in relation to minimum requirements for staff in an ECEC setting.

Furthermore, consideration would need to be given to appropriate persons able to be assessed as suitable substitutes for the additional educator, including ensuring their role would be reflective of the general capabilities of an early childhood educator. This consideration around 'role' would be critical to reduce the risks of scope creep in the Program, in which persons are subsidised under the Program outside the intent of the ISP (e.g., paediatric nurses or occupational therapists for individual support).

¹²⁷ Judith Carta and Robin Miller Young, *Multi-Tiered Systems of Support for Young Children Driving Change in Early Education* (Brookes Publishing, 2018).

8.5.2.2 Establish a tiered funding approach

Opportunity 20 Solidify and communicate a tiered approach to funding inclusion supports for ECEC services

Description: Building on other opportunities outlined in this report, the Department should consider establishing and communicating a clear, revised framework of tiered supports (e.g., resources, professional learning and development, training, and funding) which can be provided to the ECEC sector to enable inclusion of children with additional needs.

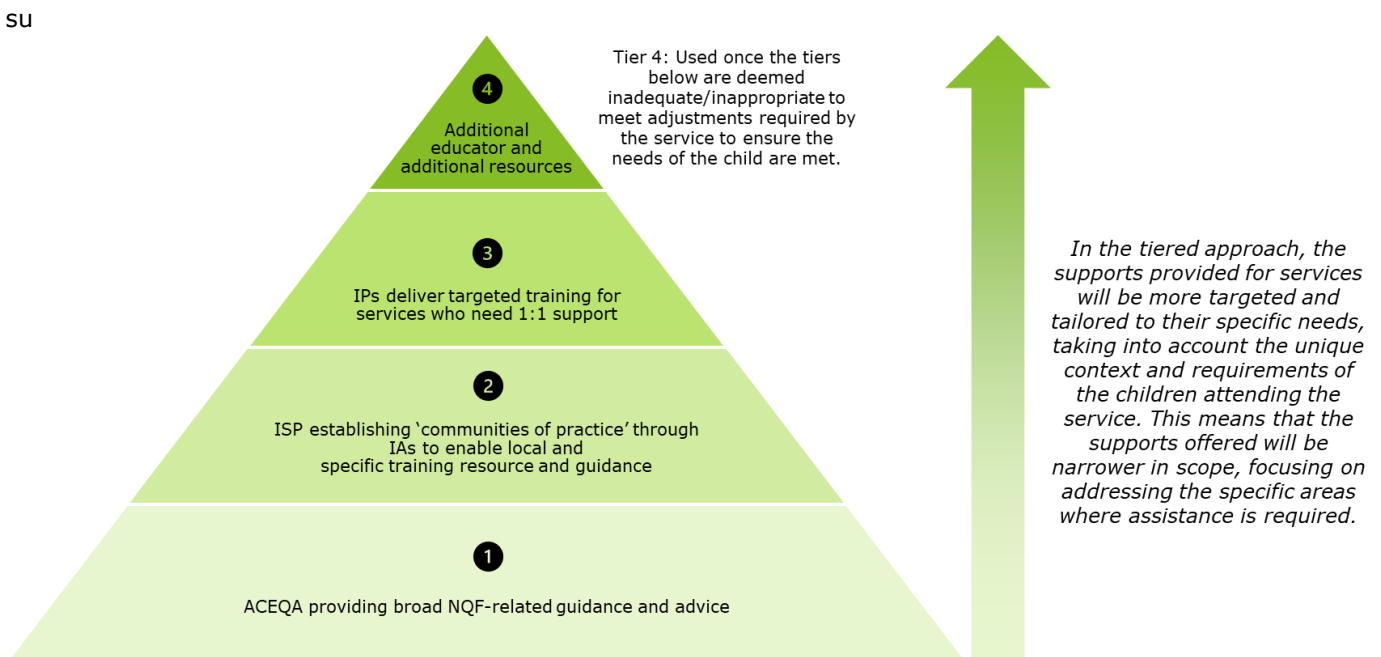
As shown below in Figure 8.2 below, a refreshed, tiered approach may include:

- ACECQA providing broad, sector wide NQF-related guidance and advice
- ISP establishing 'communities of practice' through IAs to enable local and specific training resources and guidance
- IPs deliver targeted training for services who need 1:1 support
- Additional educator and additional resources used once above tiers are deemed inadequate/inappropriate to meet adjustments required by the service to ensure the needs of the child are met.

Justification: During consultations, stakeholders noted that inclusion resources and guidance are available in relation to requirements of the National Quality Framework (NQF), however the overall depth of these supports and resources is limited.

While the current Program includes a range of resources and supports which could be considered as a 'tiered approach' to delivering resources, stakeholders suggested that a more formalised and systematic approach could be considered to delivering resources could be considered.

Figure 8.2: Proposed tiered supports



Source: Deloitte Access Economics (2023)

In recognising that inclusion may reflect different contexts across different settings and children, the variety of supports and resources will vary among services. A tiered model of support is reflected in the Multi-Tiered Systems of Support (MTSS) diagram outlined in Appendix D, an approach to supporting students with disability and additional needs that is well supported by academic literature.^{128, 129} Considering this diversity of need, the refreshed, tiered framework for ISP supports would respond to the varying needs of services by offering baseline universal guidance and advice for all services, with increasingly targeted training, guidance and support for services where the needs of children are not met through the provisions in the tiers below.

Timeframe for implementation: 12-24 months

Intended impact: The development of a tiered approach to inclusion supports is intended to provide a more tailored, and responsive system of resources, training and funding that caters to the unique needs of each ECEC service and systematically embeds the principles of leading best practice as they relate to inclusion.

Additional considerations: Establishing the eligibility criteria for each tier of supports, and the transition requirements between tiers, would be critical. Furthermore, each tier should be resourced adequately, and that the needs of ECEC services at all tiers are sufficiently addressed.

¹²⁸ Jane Warren et al, 'Small Steps: The Inclusion of Young Children with Disabilities in Australia, Greece, and Malaysia' (2021) 45(2) *Australasian Journal of Special and Inclusive Education* 164.

¹²⁹ Kathy Cologon and Carly Lassig, 'Universal approaches to curriculum, pedagogy and assessment' in Linda J. Graham (ed), *Inclusive Education for the 21st Century* (Routledge, 2020) 179.

8.5.2.3 Enable services to access capacity-building funding prior to enrolment

Opportunity 21 Establish an additional funding grant to enable services to deliver inclusive resources and environments prior to a child enrolling at the service

Description: The Department should consider establishing additional funding and resources to ensure services are equipped to undertake learning, development and reflective practice in inclusion prior to a child with additional needs enrolling or being identified at the service.

Justification: Stakeholder consultation of the ISP has identified concerns around the timeliness of funding under the IDF, particularly around the time it takes to collect documentation from families and the approval process once an application for IDF support is submitted to the IDFM.

Feedback from the sector survey also highlighted the challenges associated with a lag in the time it took to receive funding. Considering these concerns, the Australian Government may wish to explore ways in which it can provide pre-emptive funding streams to services to enable the capacity and capability of the service to be inclusive prior to a child enrolling at the service.

This approach is similar to the Queensland Government's *Kindy Uplift* funding program, which provides pre-emptive inclusion funding to prepare services to support children with additional needs.

Timeframe for implementation: 12-24 months

Intended impact: Providing pre-emptive funding to enable services to purchase inclusive supports and resources would significantly reduce the time between a child's enrolment and the availability of inclusive resources and practices, ensuring children with additional needs are adequately supported 'from day one' at the service.

Additional considerations: To ensure that funding is being used effectively, the Department would need to consider how financial reporting tools would ensure transparency and accountability in the use of funds. If progressing with this opportunity, the Australian Government can seek learnings and early feedback from the Queensland Government, who are currently trialling this approach within their early years funding scheme.

8.6 Monitoring and evaluation

Monitoring and evaluation refers to the existence of mechanisms to share and evaluate child need, resource distribution, service quality, practice and, ultimately, outcomes across the sector.

Under an ideal policy scenario, inclusion supports are monitored to ensure best-practice resourcing and continuous improvement.

However, the current programmatic environment of ISP means that monitoring is input focused, achieved through acquittal of payments and short-term KPIs by Inclusion Agencies and the IDFM. There are limited monitoring and evaluation mechanisms in the current ECEC context to track progress towards child-level inclusion and developmental outcomes.

This review did not identify opportunities in this domain in the short and medium term. In the longer term, the review identified a need to develop a needs-based approach to capturing child need (Long-term opportunity 4) and institute a system of accountability more clearly focused on practice and outcomes (long-term opportunity 4).

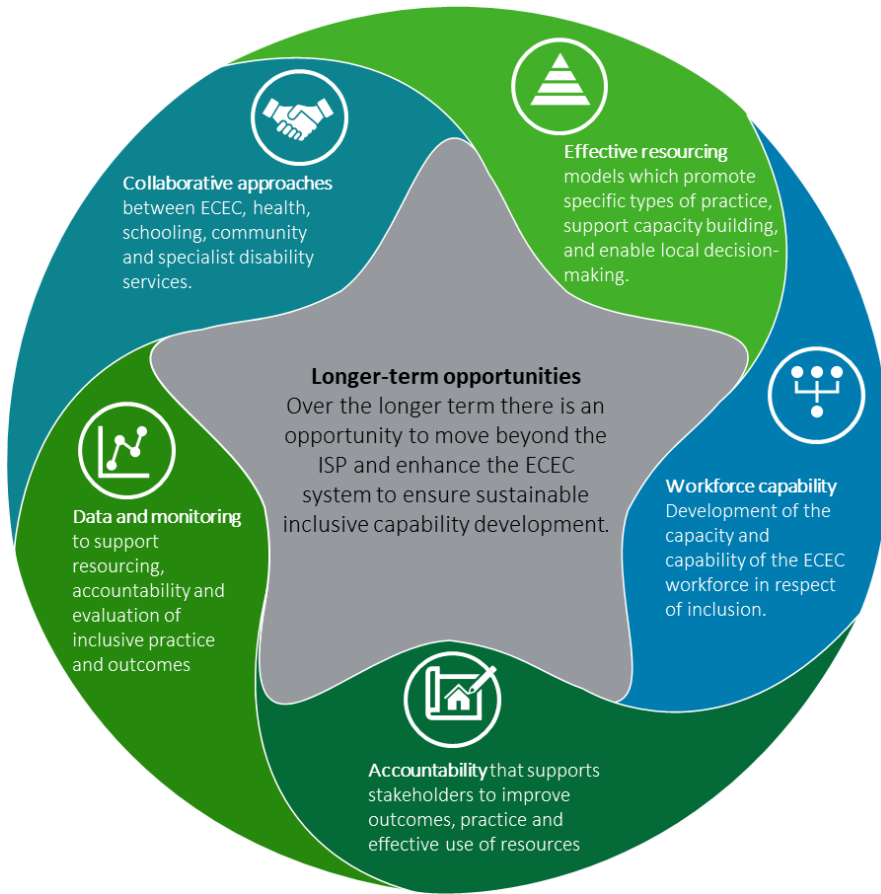
8.7 Longer-term opportunities to build inclusion in the Australian ECEC sector

Sections 8.2 to 8.6 have considered the opportunities for improvement within the ISP in light of current system settings and constraints. If implemented in full and as noted, these opportunities have the potential to improve the support provided to ECEC leaders, educators, children and families in the short- to medium-term, by improving the nature of the ISP and its interaction with stakeholders.

However, in the longer-term, there is a need to consider more systemically the direction of ECEC and how it acknowledges and addresses the need for better inclusive practice. This should not occur solely through the ISP – rather, every element of the ECEC system should be oriented to promoting access and quality for all (as articulated in the draft National Vision for ECEC).

The following section outlines opportunities that can be considered over a longer timeframe, noting that any redesign that involves a comprehensive or sweeping overhaul of policy or procedures requires considerable and staged planning. There are five key areas for future consideration, outlined in Figure 8.3 below and detailed again in Table 8.1.

Figure 8.3: Longer-term areas to build inclusion in the ECEC sector



Source: Deloitte Access Economics (2023)

Opportunities at this level to improve efficiency and effectiveness are holistic in their approach and may be best supported by legislation and regulatory measures. The five opportunities are summarised in Table 8.1 below – with indicative timelines included.

Table 8.1: Longer-term opportunities to build inclusion in the Australian ECEC sector

Area for consideration	Opportunity	Indicative timeframe
1 Collaborative approaches between ECEC, health, schooling, community and specialist disability services.	Pilot collaborative, 'wrap-around' approaches to inclusion supports in ECEC services for broader adoption.	1-3 years
2 Effective resourcing models which promote specific types of practice, support capacity building, and enable local decision-making.	Establish a needs-based funding model for ECEC services	5 years
3 Accountability that supports stakeholders to improve outcomes, practice and effective use of resources	Establish an accountability and monitoring framework to support the identification of and progress towards outcomes in inclusive ECEC	5 years

4 Data and monitoring to support resourcing, accountability and evaluation of inclusive practice and outcomes	Adopt a data-driven approach to support the identification and funding of inclusion supports and early intervention services in early years.	5-10 years
5 Workforce capability Development of the capacity and capability of the ECEC workforce in respect of inclusion.	Implement a strategic approach to developing workforce capacity	1-10 years

8.7.2 Collaborative approaches

Long-term opportunity 1: Pilot collaborative, 'wrap-around' approaches to inclusion supports in ECEC services for broader adoption

Description: The Australian Government should consider piloting 'wrap around' approaches to inclusion supports in ECEC services, enabling a more coordinated response between family, service, state government agencies, NDIS and community organisations is developed to address the comprehensive needs of children with additional needs.

Justification: Wrap-around approaches require collaboration across multiple stakeholders to provide a coordinated response to service delivery. In an ECEC service, this refers to the concept of surrounding a child with a network of support involving educators, families, community organisations, NDIS early childhood partners and external health professionals such as NDIS providers. As outlined in the review of literature, applying Bronfenbrenner's Ecological Systems Theory to guide the development of wrap-around supports provides a firm theoretical underpinning for instigating and sustaining large-scale systems change. The AIFS literature review¹³⁰ identified several key elements of effective inclusive practice, three of which are directly addressed through wrap-around models of inclusion. These include forging effective partnerships with families, building external collaboration and partnerships, and taking a child-centred approach.

As indicated in Section 5.5, consultations have highlighted that the structure of the ISP at present does not support the provision of wrap-around services in all settings. A range of stakeholders suggested future models whereby a coordinated response between family, service, state government agencies, NDIS and community organisations is developed to address the comprehensive needs of children with additional needs. Section 6.1.1 described one approach to co-locating services adopted by Aboriginal Children and Family Services in NSW, which could inform the structure of model adopted within a pilot program.

Timeframe for implementation: 1-3 years

Intended impact: This inter-agency integration is likely to have the most positive impact if accompanied by a cultural change across ECEC services. Coordination of wrap-around services requires effective communication and clearly defined processes for all individuals involved in providing support for a child and their family. With a positive outlook regarding the benefits of coordinating care, education and clinical support, and clear lines of responsibility across each of the facets of support, the impact is likely to be positive in the sense that the child and family are likely to feel an increased sense of belonging, acceptance, safety and inclusion.

Additional considerations: With the likelihood of the *Disability Standards for Education 2005* (DSE)¹³¹ soon to include ECEC, this is an opportune time to consider what wrap-around supports look like in ECEC services. In ACECQA's submission to the 2020 Review of the DSE, it was identified that networking or collaborating with relevant external organisations or individuals (such as schools and allied health professionals) is a key action required to support access and participation in ECEC for children with disability.¹³² The DSE refers to the provision of specialised services through collaborative arrangements with specialised service providers. This form of wrap-around support is

¹³⁰ Rob Bray, *Inclusion in early childhood education and care: A literature review of best practice. Review undertaken for the Department of Education, Skills and Employment* (ANU Centre for Social Research and Methods, 28 October 2020).

¹³¹ Australian Government Department of Education, *Disability Standards for Education 2005* (12 September 2022) <<https://www.education.gov.au/disability-standards-education-2005>>.

¹³² Australian Children's Education and Care Quality Authority (ACECQA), *Inclusion of children with disability in early childhood and school age education and care: Consultation Summary Report* (December 2020) <https://www.acecqa.gov.au/sites/default/files/2021-04/ACECQA_Report_Summary-DSE_Consultation.pdf>.

already referred to in legislation, and a pilot to trial different models within ECEC would pre-empt forthcoming legal requirements to strengthen collaborative partnerships.

There is significant variation in the ability of services to provide access to additional supports. Some LDC services are provided as part of facilities that also deliver Maternal and Child Health, Counselling and other services to families and children. These types of centres are considerably advantaged in being able to identify families in need of support and make connections to other services and supports which will assist them. One of the key challenges of any pilot program will be in ensuring such links can be achieved regardless of the ECEC setting the child may be situated in.

To progress the policy direction of this opportunity in the immediate term, the Australian Government may wish to consider establishing a cross-sector ECEC inclusion taskforce, focussed primarily on the near term of breaking down identified information silos across child-centred professionals and organisations. This taskforce could also identify opportunities for pilots in particular settings or geographic areas based on agreed set of criteria for evaluation.

8.7.3 Establishing needs-based funding

Long-term opportunity 2: Establish a needs-based funding model for ECEC services.

Description: The shift in ECEC services to consideration under the DSE, as well as broader inclusion expectations, established a need to effectively support ECEC services based on the needs of the cohorts they enrol. Indeed, resourcing is recognised as a key lever within the Draft National Vision for Early Childhood Education and Care, and an enabler of the realisation of those objectives.¹³³

The ISP in its current form is a programmatic response, however, the aspiration of inclusive early childhood provision requires a systemic response which is incorporated into the very structure of ECEC. Section 5.5 highlighted challenges with the nature of the ISP in the context of broader state and federal supports for inclusion. Section 6.1.3 highlighted challenges associated with the specific allocative mechanisms. The current model:

- is administratively burdensome
- disqualifies some 'in need' providers from support based on their ability to recruit appropriate staff
- requires services to access support in the form of an additional educator, rather than accessing support which could be used more flexibly (such as ECEC educator release time).

Timeframe for implementation: 5 years

Intended impact: A needs-based funding model recognises educators as professionals and allows them to determine the support needs of children. This approach is responsive to children's changing needs over time and is not overly dependent on strict diagnostic criteria or lengthy or complex administrative processes. This means children can be supported at point of need and in a flexible manner, and this support can be strengthened through consultation with families and external professionals in order to establish the most appropriate support for children with disability and additional needs.

Additional considerations: Over time, there is a need to move beyond the current ISP resourcing model to a strategic resourcing framework which is (a) aligned to need, (b) effective (c) transparent, and (d) promotes accountability in line with the legislative and policy obligations.

Box 9.2: Needs-based funding in school settings

Needs-based funding models are central to school financing arrangements in Australia and could be applied to ECEC services in a similar fashion to the schooling system. A needs-based funding model allows services to retain flexibility in the distribution of funding, placing an emphasis on the professional judgement of educators. This approach is fundamental to system autonomy, acknowledging that every child is different and presents with unique needs, therefore a funding model should have inherent flexibility in order to be responsive to service and individual children's needs. The commitment to needs-based funding in schools has been formally recognised in legislation, specifically outlining how approved system authorities are required to distribute Australian Government funding in accordance with needs-based principles.

There is a clear opportunity to review inclusive education resourcing within ECEC, with a goal to ensuring centres are supported to effectively deliver supports to all learners in line with a tiered

¹³³ Australian Government Department of Education (2023). "Draft National Vision for Early Childhood Education and Care - Department of Education, Australian Government." <https://www.education.gov.au/early-childhood/resources/draft-national-vision-early-childhood-education-and-care>.

support framework. This opportunity will benefit from a dedicated design project guided by terms of reference which consider the principles of funding and the proposed components of a needs-based funding model.

Based on an understanding of the key supporting components of the ECEC system as well as the elements of needs-based resourcing models in the schooling sector, a model should comprise:

- a revised quantum of funding to reflect the scope and size of the task of strengthening ECEC
- a process for assessing and reporting the relative needs of centres
- a process for monitoring the distribution and assessing the impact of funding being distributed throughout the system.

In reviewing the needs-based funding model, it is suggested that an alternative system-wide means of distributing funding is considered as an alternative to the existing programmatic and grant-based allocation. The concurrent NDIS Review is considering the relatively high reliance on individual supports and the relative decline in suitability of mainstream services. Any future review should consider the possibility of reallocating funding released by constraining NDIS growth to bolster the quality and effectiveness of mainstream services.

There are particular considerations in the development of needs-based funding settings in the OSHC sector given the intersection with schools, as outlined below.

Box 9.3: Alignment of support between OSHC and school settings

As children with disability and additional needs progress from ECEC through to school, their families are likely to encounter a multitude of supports available through various systems and services. Current provisions are disjointed, inconsistent and often confusing. Discrepancies currently exist in relation to the funding available for school-aged children, most notably when accessing support through OSHC programs. Through the consultation process it has been identified that a particular challenge faced by OSHC services is the fact that school-aged children are provided with support in schools in accordance with the DSE and associated school funding mechanisms (such as the NCCD), however, when attending an after-school or holiday program, often based within the grounds of the school, the funding available to support their inclusion does not align with the funding they are entitled to as a school student. This presents significant challenges for service providers, who are at times unable to provide the same level of support to a child and their family that they would receive from their school. An opportunity therefore exists to reconsider the inclusion funding and supports available for school-aged children with disability and additional needs when accessing OSHC services.

This would provide greater clarity for families around the level of support available for their child across a full day (and during school holidays) and would allow for more consistent provisions between settings. Should a future model realign support for school-aged children with school-based funding arrangements, outcomes for children are likely to improve. It would be anticipated that demand for and enrolment in OSHC programs would also increase. The flow on effect of this is that families are likely to have improved employment opportunities and will be able to work longer hours, beyond those of a school day.

Any change to the provisions for school-aged children with disability and additional needs when accessing OSHC services are likely to be influenced by the addition of ECEC to the DSE. Support for school-aged children accessing OSHC services is therefore likely to come under closer scrutiny once the DSE are amended to include the ECEC sector.

Further, there are significant differences in school funding and regulatory arrangements in schools across states and territories. This is particularly relevant for government schools – as each state and territory maintains its own resourcing model for students with disability in schools

8.7.4 Accountability and governance

Long-term opportunity 3: Establish an accountability and monitoring framework to support the identification of and progress towards outcomes in inclusive ECEC

Description: The Australian Government should establish a framework for measuring inclusive practice in ECEC, incorporating targets or measures that allow for the monitoring of services' utilisation of inclusion funding and associated impacts to participation and child wellbeing.

Justification: Currently, in Australia, there is no framework for monitoring the quality of the inclusive experiences of children with disability and additional needs in education settings.¹³⁴ A needs-based approach accompanied by a framework that includes metrics such as specific targets or measures is more likely to be able to demonstrate the impact of the funding at a service and individual level.

Adopting an inclusion-specific framework may be helpful in providing insights into the outcomes associated with additional funding and build into the model a level of accountability regarding how effectively the funding is allocated and spent. Although funding is a significant contributing factor to the successful inclusion of children, what is most important is how effectively the funding is spent. Devising a model that places the emphasis on cost-effective and evidence-based policies and practices will help to ensure outcomes for all children are improved.

Timeframe for implementation: 2-5 years

Intended impact: A framework to support the identification of and progress towards outcomes in inclusive ECEC would help to build confidence in the sector to effectively support children with disability and additional needs. Educators and services would benefit from clearly defined measures of effective practice that are informed by evidence and research. It could also form the basis for measuring growth in inclusive practice and could support targeted training in building the skills of the workforce.

Additional considerations: The level of accountability should be commensurate with the support available to centres. Any planned change to accountability should be introduced alongside developments in funding and accompanied by supporting guidance materials, additional resources and system-level support. This level of support also needs to be sustained in order for a transition to a need-based model to be effective. In addition, compliance measures should accompany a needs-based funding model, along with adequate oversight, transparency and accountability measures relating to how services are using funding to improve outcomes for children.

¹³⁴ Jane Warren et al, 'Small Steps: The Inclusion of Young Children with Disabilities in Australia, Greece, and Malaysia' (2021) 45(2) *Australasian Journal of Special and Inclusive Education* 164.

8.7.5 Data and monitoring

Long-term opportunity 4: Adopt a data-driven approach to support the identification and funding of inclusion supports and early intervention services in early years

Description: The Australian Government should establish a nationally consistent approach to child-level evidence collection around the prevalence of disability among young children. This may include extending the use of the Unique Student Identifier (to children enrolled in ECEC services and using data associated with the USI to monitor outcomes for children with disability and additional needs over time through a program such as the ISP.

Justification: Currently there is no national early intervention dataset that can be used to map the development and pathways of children and young people in the years before school. Given the increases observed in the number of children requiring support for disability and additional needs over time, an increasing number of children are presenting as being developmentally vulnerable at school entry.¹³⁵ Mechanisms that allow for the universal monitoring of children’s health and development from birth to preschool age would help to strengthen the support provided to children with disability and additional needs. Monitoring in the years before school through a nationally consistent approach, would strengthen data and evidence around the prevalence of disability among young children, and be crucial in enabling identification of disability at an early age. This would then assist in informing the provision of support at a time where there is the greatest opportunity for effective early intervention. Policymakers would therefore benefit from having better tools to inform support for children and track the trajectory of their lives.¹³⁶

Data linkage, also known as data matching, can further strengthen support for vulnerable children in ECEC and throughout their schooling years. Combining information from different sources about an individual creates an opportunity for more expanded and complex policy and research.¹³⁷ For example, a new source of data that has gradually been introduced since 2015 is the Unique Student Identifier (USI).¹³⁸ This is a reference number given to Australian students that stays with them for life. The USI enables the collection of information about students’ training and study activity. The USI has the potential to better support an understanding of student progress and to improve the national evidence base. It also has the potential to inform education policy by linking the USI with other datasets. There may therefore be an opportunity to extend the use of the USI to children enrolled in ECEC services and use data associated with the USI to monitor outcomes for children with disability and additional needs over time through a program such as the ISP. Connecting datasets could help to increase the understanding of what makes a difference in improving outcomes for children, particularly for those with disability and additional needs. It may also be beneficial in evaluating the success of programs, identifying areas in need of greater resourcing, tracking trends and developing and refining interventions and support. It could also enrich an understanding of how education and care intersects with other policy areas.¹³⁹

A data-driven approach to funding inclusion in ECEC may look similar to the nationally consistent approach adopted by Australian schools. The NCCD has resulted in changes in the way that funding and resources for school students with disability are distributed in Australian schools. The NCCD

¹³⁵ Department for Education, South Australia, *Review of trends in disabilities among children and adolescents* (2020) <<https://www.education.sa.gov.au/docs/system-performance/fraser-mustard-centre/trends-in-disabilities-among-children-and-adolescents-final-report.pdf>>.

¹³⁶ Thrive by Five, *Summary report: How Australia can invest in children and return more: A new look at the \$15bn cost of late action* (n.d.) <https://thrivebyfive.org.au/wp-content/uploads/2023/05/coli_summary_final-art_electronic_02.pdf>.

¹³⁷ Australian Government, *What is Data Linking?* (n.d.) <<https://toolkit.data.gov.au/data-integration/data-integration-projects/what-is-data-linking.html>>.

¹³⁸ Australian Government, *Unique Student Identifier* (2023) <<https://www.usi.gov.au/>>.

¹³⁹ Australian Government, Department of Education, *Review to Inform a Better and Fairer Education System - Consultation Paper* (July 2023) <<https://www.education.gov.au/review-inform-better-and-fairer-education-system/consultations/review-inform-better-and-fairer-education-system-consultation>>.

was initially a data-collection process to define and identify students with disability. The intent was to capture the number of school students with disability requiring educational adjustments to support their inclusion in schooling. There was a shift away from a focus on diagnosis, and rather, toward the educational adjustments required for students to access and participate in learning. From a system perspective, collecting data on the number and types of adjustments needed by students is more useful than focusing on a specific disability diagnosis. It provides schools and education authorities with data that can assist with mobilising resources, inform an investment in training and professional learning and can support the appropriate management of workforce capacity.¹⁴⁰

At its conception in 2011, the NCCD was trialled as a data collection process, with its phased implementation beginning in 2013. The original focus of the NCCD was to define disability in accordance with the DDA, to ensure national consistency in order to establish the number of students requiring educational adjustments. The NCCD became a resource-allocation method in 2018 following a lengthy period of trialling the model and verifying the data.

In line with the objectives and the intent of the Early Years Strategy, adopting a data-driven approach to identifying vulnerability and/or additional needs would support collaboration of child-centred services across government. For example, several services during consultation suggested that the government could feed vulnerability-related data into the ISP's funding approach, such as information about whether children are in Out of Home Care (OOHC). These services emphasised that this would enable a more responsive approach to identifying and responding to vulnerability, without requiring additional documentation to confirm the child's circumstances.

Timeframe for implementation: 5-10 years

Intended impact: Aligning funding for children with disability and additional needs with legislation is a powerful approach to improving inclusive practice in education and care environments. It enables wise and transparent decision making, improves accountability in terms of spending and outcomes for children and can help to inform wrap-around multi-disciplinary support approaches.¹⁴¹ However, lessons should be learned from the implementation of the NCCD, understanding the extent to which a new data collection model requires significant investment in training a workforce to apply a new model. The process of assuring that data is valid, consistent and accurate is lengthy and necessitates regular monitoring and reviewing. Should a data-driven approach be adopted longer-term, it is likely that the impact would depend on the efficacy of the planned implementation. As noted in the review of literature, improvements in inclusive practice are best achieved when accompanied by effective and sustained training and professional learning and development. Therefore, the impact of adopting a data-driven approach is likely to be directly and positively influenced by ongoing appropriate and aligned training and professional learning and development of educators and services.

Additional considerations: The rollout of the NCCD across Australian schools was not without its challenges and it must be noted that the teaching workforce was already under duress due to increasing demands being placed on educators to support students with complex needs (and the perception held by some that they did not have the skills and expertise necessary to provide appropriate support to these students). This coincided with workforce shortages that were at play at the time. Any change to process should be supported by a sound theory of change developed in the design phase. A good theory of change can help to provide a program rationale that is based in

¹⁴⁰ Kate de Bruin et al, 'What is the NCCD and what does it mean for my practice?' in Linda J. Graham (ed), *Inclusive Education for the 21st Century* (Routledge, 2020) 122.

¹⁴¹ Thrive by Five, *Summary report: How Australia can invest in children and return more: A new look at the \$15bn cost of late action*" (n.d.) <https://thrivebyfive.org.au/wp-content/uploads/2023/05/coli_summary_final-art_electronic_02.pdf>.

the best available research and practice, and that aids in clarifying any assumptions regarding the success of a program.¹⁴²

¹⁴² Australian Government, Australian Institute of Family Studies (AIFS), *What is theory of change?* (September 2021) <https://aifs.gov.au/sites/default/files/publication-documents/2109_what_is_theory_of_change_0.pdf>.

8.7.6 Workforce development

Long-term opportunity 5: Implement a strategic approach to developing workforce capability in support of inclusion across the ECEC sector

Description: Prior international research has highlighted the need for ECEC teachers and educators to be agents for inclusion and adapt to meet the learning needs of all children in the classroom. Research has indicated that this should draw on a combination of specialisation and universal capacity building. Too great a focus on specialisation can prevent educators from treating inclusion as their responsibility.¹⁴³ To achieve more inclusive ECEC across Australia, an approach is required that develops capacity universally while embedding specialist expertise where it is needed.

The ISP and its precursors have historically been drivers of capacity in ECEC centres – indeed, survey and consultation responses have highlighted the impact of the ISP in driving capacity. However, to promote universal capacity development, there must be a more strategic approach to the ways in which educators are aware of, confident and skilled in promoting inclusion in their centres and rooms. Appendix D provides a more detailed description of literature relating to training, professional learning and development, and leadership and how these have the potential to shape inclusive practice.

8.7.6.1 Pre-service training

Prior to commencement of service in an ECEC setting in Australia, educators are required to have obtained at least a Certificate III in ECEC, with higher level requirements for some staff (including Diploma qualification and Bachelor qualifications in Teaching) required for larger centres. At present there is no formal requirement for consideration of inclusion in these qualification routes. There is an opportunity to develop a concise inclusion module to encourage awareness of and confidence in inclusion at all training levels.

8.7.6.2 In-service training

At present there are no explicit requirements for ongoing in-service training across ECEC centres. Rather, centres are assessed against the provision of training as part of the National Quality Standard (specifically, Standards 4.1 and 4.2). There may be some scope to both: (a) incorporate inclusion as a component of the Standard; and (b) harmonise the training and materials available nationally – providing a framework and resource bank which could be tailored and distributed by jurisdictional-based Inclusion Agencies.

8.7.6.3 Leadership development

Leadership in ECEC is critical to enabling the strategic direction of the centre and the prioritisation of its staff. Leaders set the direction and values of a centre and specify expectations in centre-level policies. They also support ongoing development through regular conversations, the provision of resources and release time, along with setting clear policies and values that promote inclusion.

There may be scope to develop nationally applicable guidelines and resources to facilitate training of ECEC leaders, including Directors, Assistant Directors and Early Childhood Teachers in inclusion. This could be complemented with a revision of Quality Area 7 within the National Quality Standard to consider inclusion.

Timeframe for implementation: 1-10 years

Intended impact: Research strongly supports the notion that inclusive practice is improved through targeted professional learning and development. The impact of ensuring educators have a foundation level of knowledge before entering the workforce means that support for children with disability and additional needs would be more consistent across different services and settings. A

¹⁴³ Deloitte Access Economics, *Inclusion in early childhood care and education in high-income countries*. Report prepared for the United Nations Educational, Scientific and Cultural Organization (UNESCO) (2021) <<https://unesdoc.unesco.org/ark:/48223/pf0000378761>>.

further factor that drives effective inclusive practice is supportive leadership structures. Therefore, it would be expected that a focus on building the capability of ECEC leaders through specific guidelines and resources would help to drive system reform.

Additional considerations: Investing in the ECEC workforce is an ongoing process that may be refined over time depending on the specific needs of educators and services. Lessons can be learned from the schooling sector in how schools have transitioned to the NCCD and the accompanying resources and professional learning and development that has been necessary to build the knowledge and skills of educators in this regard. Consideration may also be given to existing initiatives and scholarships that have supported educators to complete further qualifications in inclusive education and the impact these approaches have had on the workforce and the quality of support provided for students.

9 Implications for future program design

This chapter presents a strategic framework to help progress the review findings, being mindful of the contemporary ECEC sector and challenges related to the communication and implementation of policy change.

9.1 Policy design

There is growing interest from governments in how to achieve better outcomes for users. Policy design approaches are being commonly adopted, where a multidisciplinary team of policy, program and service designers come together to develop and deliver services to meet user needs.

When reflecting on the headline findings, ISP is broadly delivering on its objectives. However, feedback from stakeholder consultations alongside previous evaluation suggests that this type of approach could tackle some of the more entrenched challenges.

Contemporary policy design approaches are challenging more traditional policy making methods where policy is developed and then passed on to delivery teams to implement. The critique is that this type of policy making and delivery is no longer fit for purpose as it does not respond to the way that people experience services.

A more integrated and multidisciplinary approach could generate more sustainable outcomes for users. The UK's Policy Lab describes its mission "to radically improve policy making through design, innovation and people-centred approaches. We bring multidisciplinary expertise to help teams understand the present, imagine the future and design ways to achieve the policy impact they intend."¹⁴⁴

There are countless frameworks that could be deployed. But they all have consistent elements.

- The problem / challenge the Program is trying to address – potentially mapping stakeholder needs, documenting user journeys, understanding the policy landscape, surveying the current context to identify the depth and breadth of the challenge
- The outcomes the project is seeking to achieve – what does success look like, what would be different because of this work
- What are the activities that could address these outcomes and how do they address them. This includes program delivery, communications, policy development. The challenge is maintaining a connection between the activities and outcomes
- Success criteria – what is the evaluation framework, the performance indicators, measurements, and opportunities by which to judge performance?

The UK's Policy Lab¹⁴⁵ has an open-source toolkit with step-by-step resources for policy design. Together with an introduction to policy design, it includes resources to diagnose the problem, discover the user's needs, develop solutions, test them and evaluate.

¹⁴⁴ United Kingdom Government, *Policy Lab* (n.d.) <<https://openpolicy.blog.gov.uk/>>.

¹⁴⁵ United Kingdom Government, *Open Policy Making Toolkit* (3 January 2017) <<https://www.gov.uk/guidance/open-policy-making-toolkit>>.

9.2 Alignment with broader early years policies, strategies, and commitments

In brief, the alignment of the Inclusion Support Program with other early years policies, strategies and commitments, such as the draft National Vision for ECEC and the Early Years Strategy, will enable the Program to contribute to a shared vision for early years learning and development.

Furthermore, by considering the Program within the context of a broader governmental ECEC strategy, the Australian Government can identify areas of duplication, as well as potential gaps in other early years programs in which the ISP may be the most suitable avenue to address the unmet needs of a particular child cohort.

More strategically, incorporating the ISP within broader strategic Australian Government discourse about the early years instils confidence in services, educators and families that the government is considering early years policy and program design in a comprehensive manner.

9.3 User voice and participation as part of design and delivery

Engaging with users and key stakeholders is important in being able to see the benefits of a policy design approach. Engaging with users in a meaningful way can be challenging; but when done well the benefits extend beyond the users themselves. Government departments are increasingly consulting and involving users at different stages of policy development service design and implementation.

9.3.1 Incorporating family voice within policy design

As noted throughout this report, the importance of incorporating family voice within the design and implementation of child-centred policies and programs is vital to ensure that government programs adequately serve the needs and expectations of parents, children and communities.

As the target users of early childhood education and care, parents and carers of children must be involved in further discussion around the identified opportunities outlined in the report. This particularly is important in relation to broader, more substantial longer-term approaches in this report to redesigning inclusion in ECEC.

As noted throughout the findings and in Opportunity 1, there is significant complexity in understanding the current program, and incorporating parents, carers and families within ongoing governance and implementation of the Program would enable the Department to target common misconceptions associated with the Program's objectives, remit and broader approach to inclusion.

9.3.2 Co-design with Aboriginal and Torres Strait Islander communities

While this review included consultation with Aboriginal and Torres Strait Islander services through collaboration with SNAICC, the Government must consider how it will consult and incorporate the voices of Aboriginal and Torres Strait Islander peoples when considering the opportunities outlined in this report.

The 2023 Closing the Gap Implementation Plan emphasises the importance of self-determination and shared decision-making between governments and Aboriginal communities. Within its first priority, the Plan notes that shared-decision making is essential. This is continued with a written commitment for the Australian Government "to contribute to Policy Partnerships through co-chairing, funding and sharing decision-making to influence policy reforms"¹⁴⁶.

¹⁴⁶ Australian Government, *2023 Commonwealth Closing the Gap Implementation Plan (2023)*, <<https://www.niaa.gov.au/resource-centre/indigenous-affairs/commonwealth-closing-gap-implementation-plan-2023>>.

Box 9.1: “Strong Partnership Elements

- Strong partnerships – between Aboriginal and Torres Strait Islander representatives and up to three levels of government, and others (where agreed)
- Formal agreements – signed by all parties, structured well, accessible for the public and protected by law (where needed)
- Shared decision-making – where:
 - voices are diverse and hold equal weight
 - decisions are transparent and well-understood
 - self-determination is supported
 - everyone has equal access to data and information.
- Adequate funding – to support Aboriginal and Torres Strait Islander parties to be partners with governments.”¹⁴⁷

In a discussion paper published by the Centre for Aboriginal Economic Policy Research (CAEPR) at the Australian National University, Dillon notes that Aboriginal communities should be engaged in the development of both “Indigenous specific policies”, as well as broader “mainstream policies and programs [...] to the extent that they affect Indigenous citizens.”¹⁴⁸

In summary, Dillon notes that important characteristics of effective co-design with First Nations voices are:

- the independence and representativeness of First Nations interests
- the degree to which the issues under consideration are explicitly or implicitly constrained by governments
- the levels of transparency and accountability for the outcomes of the processes
- the acknowledgement within the co-design processes of structural power imbalances between governments and First Nations
- the nature and effectiveness of decision-making processes within First Nations interests
- the degree of assurance that negotiations will lead to policy decisions and outcomes consistent with negotiated outcomes.

In considering these insights and ongoing commitments to partnering with First Nations Peoples under Closing the Gap, the Australian Government may wish to facilitate further discussion with Aboriginal and Torres Strait Islander families, educators, services and peak bodies to ensure that any progress towards opportunities arising out of this review align to, and are grounded by, the needs and expectations of Aboriginal and Torres Strait Islander communities.

This is continued with a written commitment for the Australian Government “to contribute to Policy Partnerships through co-chairing, funding and sharing decision-making to influence policy reforms”.

Furthermore, a practice paper published to Aboriginal Affairs NSW includes guidance around co-designing policy with Aboriginal communities.

9.4 Meaningful collaboration

Meaningful collaboration between stakeholders and in particular the Australian Government and jurisdictions can be challenging. Unsurprisingly, it emerged as a challenge for ISP. Although there

¹⁴⁷ Australian Government, *2023 Commonwealth Closing the Gap Implementation Plan (2023)*, <<https://www.niaa.gov.au/resource-centre/indigenous-affairs/commonwealth-closing-gap-implementation-plan-2023>>.

¹⁴⁸ M.C Dillon., *Discussion Paper: Co-design in the Indigenous Policy Domain: Risks and Opportunities* (Centre for Aboriginal Economic Policy Research, Australian National University, 2021).

are mechanisms and an organisational infrastructure to support communication and delivery, it remains a significant barrier to delivering outcomes.

The current division of departmental responsibilities and budgets means that sometimes support stops in the wrong place at the wrong time. Being able to break down some of the barriers to siloed working could result in families and providers being able to better access the support they need.

The boundaries between ISP and NDIS emerged as a particular area of tension. To address this, the Australian Government may wish to consider piloting projects with the aim of reducing friction between ISP and NDIS, including by potentially agreeing shared outcomes and joint resources (staff, time and funding) across departments, generating new data and insight to design pilots, testing and iterating them, as well as creating the space to fail and learn. This approach would also require organisations to adopt a new way of working. But if it works, the scope to scale could be advantageous.

Considering a different way to frame, collaborate, design and deliver policy drawing on the resources that are already available within the department and their recalibration could deliver more equitable outcomes for more families, enhancing the impact and effectiveness of the ISP.

9.5 Broader lessons for future program and policy design

Future iterations of the ISP will need to focus on how to bolster efficiency and effectiveness of inclusive practice in ECEC. Based on the literature reviewed, there are several themes that emerged regarding how to improve inclusion in ECEC.

Key considerations when exploring options for future iterations of the ISP should factor in:

- How can ECEC services build an inclusive philosophy?
- How can professional learning and development be prioritised and sustained for all ECEC staff?
- How can leaders in ECEC foster inclusion in ECEC and are their needs different from other staff?
- How can ECEC services foster more positive collaborative relationships with families and allied health professionals and what can they learn from them about how to successfully include children with disability and additional needs in ECEC services?
- How can ECEC learning frameworks be further refined to facilitate inclusion more effectively?
- How can ECEC services partner with external agencies (e.g., allied health professionals) to build inclusive capability and capacity?
- Are there frameworks that could underpin improvements in inclusive practice in ECEC (e.g., MTSS and UDL) (see Appendix D for more detail)?
- What opportunities may arise to further build inclusion in ECEC if/when the DSE are amended to include ECEC and how can the sector be informed of the changes?

9.6 Measuring budgetary and financial implications of future opportunities identified in this report

Recognising the broad scope of opportunities outlined in this report, further analysis of the resourcing impacts associated with these changes would need to be undertaken to further articulate the budgetary impact on the Program. This is due to a number of variables associated with broader policy design and implementation, such as:

- ***Consideration and decision-making around whether each opportunity will be adopted by the Department, and the cumulative impact of selected opportunities***
 - While an initial figure may be able to estimate the budgetary impact of an individual change to the Program, many of the opportunities outlined in this report are contingent on other opportunities being progressed. Therefore, the associated budgetary impact of a particular opportunity may vary depending on whether other opportunities are progressed concurrently.
- ***Consideration around the prioritisation and timing of changes***

- While this report has provided indicative timeframes to consider, assuming budgetary impacts of adopting changes is relatively dependent on internal governmental decision-making around implementation timing and the prioritisation of particular opportunities over others (i.e., whether changes would all occur concurrently or if a sequencing process would be adopted).
- **Considering the findings and opportunities outlined in this report in the context of other concurrent reviews**
 - The research findings and opportunities articulated in this report are reflective of the current ECEC policy environment and does not consider the impact of other concurrent reviews being commissioned by the Australian Government. This includes:
 - The In Home Care (IHC) review
 - Community Child Care Fund-Restricted (CCCFR) review
 - ACCC inquiry into childcare
 - Productivity Commission inquiry Early Childhood Education and Care.
 - Opportunities from this review, particularly medium and longer-term opportunities to support inclusion in ECEC, will likely be considered and contextualised through findings identified in these other reviews.

Notwithstanding the above considerations, the Department may wish to undertake an evaluation of the budgetary impact of the associated opportunities identified in this report. A high-level approach to considering these budgetary impacts has been outlined below:

Step 1: Further define the policy and implementation approach associated with the chosen opportunities

While this report provides an overview of opportunities to consider, it does not provide a detailed overview of specific detail relating to implementation timelines and the extent to which the adoption of other similar opportunities would shape implementation.

Step 2: Estimate the internal and external resourcing needs

To support the implementation of opportunities identified in this report, the Department would need to consider the relevant internal resourcing available to deliver the associated change, including the number of employees (rate of FTE) required to oversee the implementation, including communicating the intended program or policy change to the sector.

Step 3: Estimate costs associated with change

Recognising the financial cost associated with adopting particular opportunities compared to the status quo, the Department would need to undertake a broader costing exercise to estimate the total immediate financial impact that the change would have on the Program, as well as any financial impacts (*if any*) on the ECEC sector and broader community.

Step 4: Estimate assumed benefits associated with change, including how the change will reduce overall budgetary costs

To build a comprehensive understanding of the budgetary impact of adopting these opportunities, the Department would need to forecast the financial benefits (such as cost savings), as well as broader non-financial benefits (such as improved educator wellbeing and increased access to inclusive services). This process would include analysing how adopting changes would lead to a reduction in existing budgetary line items, such as program resourcing allocated to overseeing certain functions of the existing program.

Step 5: Incorporate these figures within the department's budgetary process, including budgetary requirements and timelines

To ensure that budgetary impact of these opportunities is appropriately presented, the Department would need to align the calculated impact with the department's existing budget and accounting practices.

Step 6: Ongoing assessment and adjustment of funding as required

Finally, the opportunities presented in this report reflect findings collected as part of this research. To ensure an ongoing understanding of the financial impact associated with the changes, the Department would need to monitor and review the associated activities and costs (as a result of the changes) on a regular basis.

9.7 Recognising the impact of broader challenges facing the ECEC sector in the context of policy and program delivery

In considering the findings and opportunities outlined in this report, it is important that the Department consider the broad range of challenges currently facing the Australian ECEC sector, including:

- **Ongoing workforce challenges** – any identified opportunities or policy options considered by the Department should seek to address, or in the least instance does not contribute to, existing difficulties in retaining qualified staff. As noted in our research, a high turnover rate in the sector is assumed to impact the quality and continuity of care provided to children, including the capacity and capability of educators to support children with additional needs
- **Service accessibility** – for families in regional, rural, and remote areas, access to a high-quality and inclusive ECEC service remains a challenge due to financial, transport and broader geographical considerations. Opportunities for policy and program redesign considered by the Department moving forward, across the ISP review and other reviews of ECEC funding and supports, should consider the importance of access to high-quality ECEC services particularly in regional, rural and remote settings where supply is not adequate
- **Financial viability concerns** – while there is a significant diversity across the Australian ECEC sector around financial viability, the Department should be mindful of the financial implications of future policy redesign may have on ECEC services, particularly when it comes to ensuring that services are financially viable in relatively thin markets (i.e., in areas of limited supply)
- **Equity and inclusion** – when considering the opportunities outlined in this report, the Australian Government should consider the way in which discrepancies occur across ECEC services, based on socio-economic, geographic, cultural, linguistic circumstances. Policies and programs delivered by the Department should be mindful of this diversity, and seek to enable equitable, high-quality early learning programs for all children, regardless of their particular circumstances
- **The impact of COVID-19** – consultations as part of this review have highlighted the ongoing impacts of COVID-19 on children, families, services and, in particular, the early childhood workforce. Noting the enormous amounts of pressure placed on ECEC services during the COVID-19 pandemic, the Department should be mindful of ensuring that any policy and program refinements support, or at minimum, do not further unreasonably impact early childhood educators' social and emotional wellbeing.

9.8 Moving forward

The early childhood education and care sector in Australia is a complex web of interrelated factors, presenting a multitude of challenges for policy makers and practitioners. Limited financial resources and competing priorities add complexity, necessitating innovative and cost-effective solutions.

Within this complex environment, the ISP seeks to allocate a relatively constrained budget to provide the supplementary support and guidance to include a broad range of children with additional needs. While this review has shown that the ISP has the right purpose and the sector fully supports that purpose, it has also shown that educators and centre leaders feel unprepared to guide the kind of practice ultimately needed to support inclusion. Further, the review shows that

the current settings of the ISP do not support educators to develop capability and preparedness to the extent necessary.

This report has identified a set of opportunities that in the short term seek to refine and optimise the ISP and in the long term seek to lay out a framework for orienting the entire system towards inclusion for all children. While this objective may seem daunting, there is a clear pathway for progress. This will require a collective effort, driven by a shared vision of inclusion, with clear responsibilities for iterative improvements in policy and practice.

The vulnerability of the cohorts being supported underscores the urgency for action. Children with disability, from low-income families, Indigenous communities, and from migrant and refugee backgrounds, are at risk of missing out from the benefits of ECEC. This can be ensured if investments are promoting access and inclusive practice.

By considering the opportunities presented in this report – both in the short and long term – the Australian Government can seek to pave a way towards a future where every child can access and thrive in ECEC, regardless of their circumstances.

Appendix A: Previous evaluations and studies

The table below outlines the range of studies that have been conducted in relation to the ISP since its inception.

Table A.1: Previous reviews, evaluations and research relating to the Inclusion Support Program

Date	Author	Research	Summary of key findings
1 September 2019	Australian Institute of Family Studies	Interim Evaluation Report: Inclusion Support Program	<p>Key findings:</p> <ul style="list-style-type: none"> There are two key findings: (1) The IT environment is a major obstacle to the successful operation of the ISP, including the Portal design and the content of the Strategic Inclusion Plan (SIP), (2) There are tensions in the ISP’s framing and operation regarding balancing the creation of inclusive environments with children’s needs for additional support. <p>Recommendations:</p> <p>The identified areas for developmental considerations include improving the IT system, reviewing the appropriateness of the current SIP approach, reducing/removing current barriers, and considering discrimination in access to childcare.</p>
2 October 2019	The Department of Education and Training	Child Care Package, Inclusion Support Program (Version 4.6.2) Post Implementation review (PIR)	<p>Key findings:</p> <ul style="list-style-type: none"> The review found that although the ISP was designed and administered according to the Australian Government and Department of Education guidelines and policies, the following components of the ISP contained issues: (1) Operationalising the Program design, (2) data management and, (3) record keeping. <p>Recommendations:</p> <p>The identified areas for future program design and implementation include:</p> <ul style="list-style-type: none"> Reviewing the ISP guidelines to ensure clear alignment with program objectives Enhancing or redeveloping the ISP Portal to improve usability Streamlining SIP processes while preserving accountability requirements Reviewing ISP data and reporting needs and developing a plan to improve data availability and quality.

Date	Author	Research	Summary of key findings
3 February 2020	Macquarie University Inclusion Support Program Research Team	Outcomes Measurement Framework Project	<ul style="list-style-type: none"> Promoting availability and value of ISP to parents and carers of children with disabilities and additional needs especially in regions characterised by a higher likelihood of concentrated additional needs Supporting services through the decommissioning of the AUSKey and its replacement authentication process via bespoke communications.
4 October 2020	Australian Institute of Family Studies	Literature review of inclusion best practice	<p>Key findings:</p> <ul style="list-style-type: none"> The concept of inclusion is viewed differently by different people. Some see it as a rights-based approach, while others view it as instrumental in improving outcomes. Taking a normative position on this question is necessary for "best practice" There are two key themes in ECEC that impact understanding and policy making, particularly in relation to inclusion. Firstly, there is a shift in focus from ECEC to enable workforce participation of parents to recognising its importance in child development and education (including intervention for children with disability and additional needs). Secondly, there is a shift in understanding inclusion from being solely focused on special needs associated with disability to also including child development, education and social integration. Best practice should be informed by both the history of development and awareness of the values associated with the goals While evidence on best practice is lacking, researchers have identified six critical domains for effective strategies: (1) promoting access, (2) staff competencies and professional development, (3) partnerships with families, (4) external collaboration and partnerships, (5) a child-centred approach and, (6) effective monitoring and evaluation. The domains

Date	Author	Research	Summary of key findings	
5	August 2021	Australian Institute of Family Studies	Child care Package Evaluation: Final Report	<p>emphasise the importance of facilitating access, developing staff competencies, including families, collaborating with external services, focusing on the child’s abilities and agency, and evaluating progress to identify and understand what works and what doesn’t.</p> <ul style="list-style-type: none"> • Having robust legal mechanisms for inclusion in ECEC is key. External monitoring and enforcement can be an alternative strategy to heavy reliance on individual parents to seek enforcement through appeal rights. There is also a need for increasing the commitment of educators and providers to the principles of inclusion. The role of staff competencies and professional development in enhancing commitment to inclusion and managing difficult behaviours is also important. There is a need for improved information on the problems of access, and on the incidences and circumstances of expulsions and suspensions to monitor participation in ECEC and for the development of practical responses to ensure inclusion. <p>The literature on financing inclusion in ECEC is limited, but the input model is considered useful due to the uneven distribution of children with disability and additional needs across services. There is no one best way to provide resources for inclusion and leaving decision-making on how to use additional funds to the service is seen as best practice.</p>
5	August 2021	Australian Institute of Family Studies	Child care Package Evaluation: Final Report	<p>This comprehensive report by AIFS evaluated the impact of the ‘New Child Care Package, which included a change in the way the Child Care Subsidy (CCS) is delivered, as well as the Child Care Safety Net, including the Additional Child Care Subsidy (ACCS), the Inclusion Support Program (ISP) and the Community Child Care Fund (CCCF).</p> <p>Recommendations:</p> <ul style="list-style-type: none"> • The evaluation made specific recommendations around improving processes when children enter care, reviewing the approved hours under the activity test and the safety net, removing the annual benefit cap and refining elements of the ACCS and other aspects of program delivery.
6	November 2021	Australian Institute of Family Studies	<ul style="list-style-type: none"> • Final evaluation of the Inclusion Support Program • ISP Snapshot 	<p>Key findings:</p> <ul style="list-style-type: none"> • The main finding is that the ISP is supportive of inclusion of children with disability and additional needs. The evaluation recognises that the operationalisation of the ISP requires improvement. Policy and policy intent is also unclear and operates independently (in the

Date	Author	Research	Summary of key findings
7 January 2022	Murdoch Children's Research Institute	The Impact of the COVID-19 pandemic on children in Australian early childhood education and care	<p>context of other frameworks related to inclusion and achieving outcomes for children with disability and additional needs).</p> <p>Recommendations: Recommendations include to (1) redevelop SIP (2) improve the IT system for both service users and program management (3) build better connections with other related and relevant services and authorities, and (4) consider alternative concepts of inclusion, ensuring alignment with broader objectives of child care.</p>
8 January 2022	ORIMA Research	The Demand for Inclusion Development Fund (IDF) Support	<p>Key findings: The report discussed the impact of COVID-19 on children aged 0 to 5 years. Direct health impacts on young children have been relatively minimal but approximately 5-14% of children who contract COVID-19 may have persistent symptoms ("long COVID"). Research on the indirect impacts of COVID-19 on young children is limited, and there is evidence of worsening behaviour, mood, anxiety, stress, hyperactivity and inattention. Children with pre-existing attention-deficit/hyperactivity disorder (ADHD) are at increased risk of physical, psychological, emotional and behavioural problems during the pandemic. Attendance at early childhood education and care (ECEC) in Australia has been disrupted due to parents' and children's fear of the virus, parents working from home and ECEC service closures. Disrupted attendance is likely to have detrimental effects on children's health and development, particularly for children with ADHD. The report also suggests that the pandemic may lead to a decrease in diagnoses of children with ADHD, followed by a surge in diagnoses as health and education services return to capacity.</p> <p>In considering demand associated with the Inclusion Support Program, ORIMA was engaged to analyse feedback from existing services accessing the ISP and forecast the demand for IDF support over the 2021-22 and 2022-23 financial years.</p> <p>Key findings: In analysing the data available, ORIMA projected that the following in relation to the IDF budget allocation:</p> <ul style="list-style-type: none"> The <i>IDF subsidy</i> was likely to be underspent across FY2021-22, however unable to meet sector demand in FY2022-23

Date	Author	Research	Summary of key findings
			<ul style="list-style-type: none"> • The <i>IDF – Innovative Solutions</i> budget allocation was likely to be underspent across FY2021-22 and FY2022-23 • Overall, the <i>IDF (all streams)</i> were likely to be underspent across FY2021-22, while unlikely to meet demand in FY2022-23.
9 January 2022	ORIMA Research	Inclusion Support Program (ISP) Data Collection Arrangements	This report provided an overview of the data collection arrangements in relation to the 'The Demand for Inclusion Development Fund (IDF) Support' report delivered by ORIMA research in January 2022.
10 February 2022	Australian Institute of Family Studies	Child Care Package Evaluation: Final Report	<p>Key findings:</p> <ul style="list-style-type: none"> • The evaluation primarily considers the impact of the new child care subsidy system, as well as the Inclusion Support Program and the Community Child Care Fund. The evaluation drew upon administrative data, surveys, and qualitative data from consultations and case studies, as well as contemporary literature and data from the Australian Bureau of Statistics (ABS) and others. (Note: The evaluation was impacted by external events, particularly COVID-19, which resulted in the suspension of the child care funding system for a period during 2020. However, the evaluation had collected adequate information to enable conclusions to be drawn on the Program outcomes and impacts) • The introduction of the package had little impact on the accessibility or flexibility of child care provision, with large differences in access geographically and issues for children with additional needs. There were mixed levels of parental satisfaction with flexibility. The report also notes that the package improved the simplicity of access to child care subsidies but was not seen as easier to understand by all parents. The shift to the new subsidy system resulted in additional government expenditure of 6.3 per cent or \$453 million in 2018-19. The report suggests further investigation of exclusionary practices and the impact of the package on accessibility and affordability for vulnerable families.
11 June 2022	Apis	Data Scoping Study/ Data Analysis Report	<p>This report by Apis examined the data sharing arrangements within the Inclusion Support Program, and identified areas for improvement, such as:</p> <ul style="list-style-type: none"> • improving data collection and analysis processes for the program on a routine basis to support program objectives • centralising data sources to enable more effective analysis

Date	Author	Research	Summary of key findings
			<ul style="list-style-type: none">• increasing the function of the IS Portal to increase data collection.

Appendix B: Overview of the Australian ECEC landscape

This appendix provides a brief overview of the ECEC environment in which the ISP is delivered – detailing the main service types and Australian Government funding sources.

B.1. Types of ECEC services and providers

ECEC in Australia is a multi-faceted, predominantly regulated sector comprised of a range of service types and funded through a mix of Australian and state and territory governments, local councils, philanthropic sources and out-of-pocket costs paid for by families.

The majority of ECEC services in Australia are centre-based or family day care services approved under the National Quality Framework (NQF) and/or the Family Assistance Law (FAL) for Child Care Subsidy (CCS) funding. There are seven main types of early childhood education and care available in Australia:

- 1 **Long day care (LDC):** LDC services provide all-day childcare services and education for children from 0 to school age. LDC services operate during business hours for at least 8 hours a day, between Monday to Friday and may provide full-time or part-time care. LDC services are located within child care centres.¹⁴⁹ In Australia, children can access long day care up until they are of school age.
- 2 **Family day care (FDC):** FDC services provide childcare services for children from birth to 12 years (school age). They feature a homelike environment where children can interact in a small group and are delivered in the home of an FDC educator. FDC services can provide flexible care arrangements and are often suitable for families who require part-time or casual care.¹⁵⁰
- 3 **Outside School Hours Care (OSHC):** OSHC provide child care services for parents with school age children who require care outside school hours, before and after school, and/or during school holidays. OSHC is often provided by schools, community organisations or private providers.¹⁵¹
- 4 **In Home Care (IHC):** IHC is a type of child care service for children from birth to 13 years, children with additional needs or from diverse backgrounds. IHC provides care and education for children in their own home and offers flexible care arrangements that are tailored to the individual needs of the child and their family. This type of care is intended for families with complex needs or families who live in remote or rural areas and cannot access other types of child care services.¹⁵²
- 5 **Preschool services or Kindergarten:** Preschool services provide childcare services for children between 3 to 5 years old who are ready for primary school. These programs are typically offered for a few hours a day, a few days a week, and aim to prepare children for the transition to school.¹⁵³
- 6 **Playgroups:** Playgroups are informal gatherings of parents and children who come together to play, learn and socialise. Playgroups are typically run by community organisations or local

¹⁴⁹ Starting Blocks, *Types of children's education and care services* (2023) <<https://www.startingblocks.gov.au/other-resources/factsheets/choosing-the-right-service-for-your-child>>.

¹⁵⁰ Ibid.

¹⁵¹ Ibid.

¹⁵² Australian Government, Department of Education, *In Home Care* (2023) <<https://www.education.gov.au/child-care-package/child-care-subsidy/approved-care-types/home-care>>.

¹⁵³ Ibid.

councils and are designed for children from birth to school age.¹⁵⁴ Supported playgroups are run by a facilitator and aims to support families with specific needs or vulnerabilities.¹⁵⁵

- 7 **Occasional Care:** Occasional care providers offer care and education for children on a casual or occasional basis and is tailored for families who require care for a few hours at a time or on an irregular basis.

ECEC services in Australia are delivered by a range of different providers, including private for-profit companies, not-for-profit organisations and government entities. **Private for-profit providers** include large chains and smaller operators and may offer a range of services such as long day care, family day care and OSHC. ECEC services may also be operated by **not-for-profit providers** which include community groups, charities and religious organisations. These providers may receive funding from government sources or private donations and may focus on serving specific communities or providing specialised services. In some instances, ECEC services may be provided directly by **public providers** (namely, government entities such as schools or local councils). These services may be offered for free or at reduced cost to families and may be targeted to specific age groups or locations. Overall, private for-profit providers operate the majority of ECEC services in Australia, but not-for-profit and public providers also play a significant role.

B.2. Australian Government funding

The ECEC sector in Australia is funded through a combination of government funding (subsidies) and out-of-pocket payments by families. This section will focus on Australian Government funding.

The Australian Government provides funding to eligible ECEC services, primarily through the Child Care Subsidy (CCS), which provides means-tested subsidies to help families cover the cost of care. In addition to the CCS, the Australian Government also provides funding for preschool programs through the Preschool Reform Agreement (which are primarily funded by state/territory governments).

Overview of the Child Care Package

Under the Family Assistance Legislation Amendment (Jobs for Families Child Care Package) Act 2017, the Child Care Package was introduced in July 2018.

The Child Care Package states that it intends to achieve three goals:

- 1 continue to assist families in raising their children and provide access to quality early learning opportunities over the long term
- 2 enable and encourage greater workforce participation; and
- 3 simplify child care payments and social security systems.¹⁵⁶

The Child Care Package has two key components which are reflected in Figure B.1 below:

- **The Child Care Subsidy (CCS)**, which is the primary form of Australian Government financial assistance to families to reduce the cost of child care.
 - The CCS replaced the Child Care Benefit and Child Care Rebate, and includes:
 - a cap on the hourly rate charged for child care to which the subsidy rate will apply
 - a subsidy rate that declines as family income increases
 - an annual cap on the total level of assistance paid to some higher income households

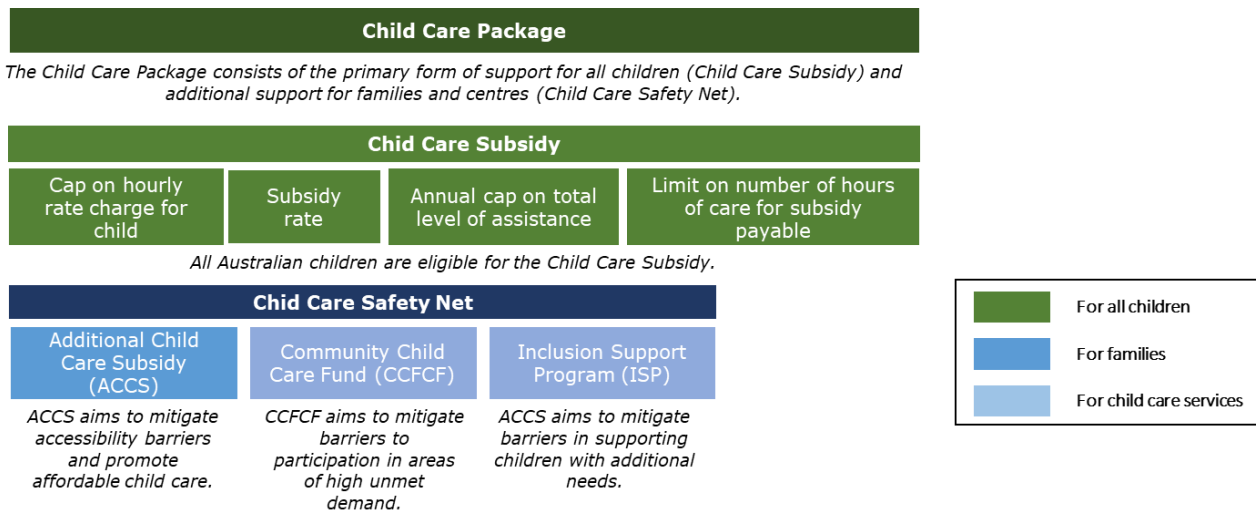
¹⁵⁴ Raising Children, The Australian Parenting Website, *About Playgroups* (2022) <<https://raisingchildren.net.au/toddlers/play-learning/playing-with-others/about-playgroups>>.

¹⁵⁵ Australian Government, Australian Institute of Family Studies (AIFS), *Supported playgroups for parents and children* (2016) <<https://aifs.gov.au/resources/policy-and-practice-papers/supported-playgroups-parents-and-children>>.

¹⁵⁶ Australian Institute of Family Studies (AIFS), *Child Care Package Evaluation: Final Report, Australian Government – Australian Institute of Family Studies* (2021), <https://aifs.gov.au/sites/default/files/2022-12/2021_child_care_package_evaluation_final_report.pdf>.

- a limit on the number of hours of care for which the subsidy is payable for each child based on the activity test applied to the child’s parent(s).
- **The Child Care Safety Net**, which constitutes three sub-components, being:
 - **The Additional Child Care Subsidy (ACCS)**, which is fee assistance for families and children who may face accessibility barriers for affordable child care
 - **The Community Child Care Fund (CCFCF)**, which provides grants for child care services to help address barriers to participation, service sustainability and for services in areas of high unmet demand
 - **The Inclusion Support Program (ISP)**, which provides support to services to build their capacity and capability to include children with additional needs in mainstream services. The current ISP was progressively rolled out from 2016.

Figure B.1: Components of the Child Care Package



Source: Deloitte Access Economics using information from the ECEC Market Strategy.¹⁵⁷

According to the Productivity Commission, as of the March quarter 2022, there were a total of 13,993 CCS approved child care services.¹⁵⁸ Table B.1 reflects the number of CCS approved child care services by service type.

Table B.1: Number of CCS approved child care services by service type in 2022

States and territories	Centre based day care (number)*	Family Day Care (number)	Outside School Hours Care (OSHC) (number)**	Total number of services
VIC	1 885	118	1 361	3 371
NSW	3 404	133	1 482	5 030
WA	766	34	490	1 295
QLD	1 774	99	793	2 675
SA	478	12	384	878

¹⁵⁷ Starting Blocks, *Understanding the National Quality Standard* (2023) <<https://www.startingblocks.gov.au/other-resources/factsheets/understanding-the-national-quality-standard>>.

¹⁵⁸ Australian Government, Productivity Commission, *Report on Government Services – ECEC services data tables, Table 3A.8* (7 February 2023) <<https://www.pc.gov.au/ongoing/report-on-government-services/2023/child-care-education-and-training/early-childhood-education-and-care>>.

States and territories	Centre based day care (number)*	Family Day Care (number)	Outside School Hours Care (OSHC) (number)**	Total number of services
NT	122	3	60	185
ACT	184	7	104	296
TAS	134	9	120	263
Australia	8 747	415	4 794	13 993***

Source: Deloitte Access Economics using information from the Productivity Commission¹⁵⁹

*Centre based day care includes both long day care and occasional care.

**OSHC includes outside school hours care and vacation care.

***Total number of services in Australia include 37 in-home care services, for which state specific statistics are unavailable.

According to the Productivity Commission, the Australian Government spent approximately \$12.9 million on ECEC in 2021-22.¹⁶⁰ Total state and territory government expenditure on ECEC amounted to approximately \$2.6 million, including expenditure on childcare and preschool services.¹⁶¹

¹⁵⁹ Australian Government, Productivity Commission, *Report on Government Services – ECEC services data tables, Table 3A.8* (7 February 2023) <<https://www.pc.gov.au/ongoing/report-on-government-services/2023/child-care-education-and-training/early-childhood-education-and-care>>.

¹⁶⁰ Ibid.

¹⁶¹ Ibid.

Appendix C: Wider policy and legislative context

As context to the review, it is important to understand the policy and legislative environment the Program operates within, with a focus on inclusion within ECEC and across education more broadly. This context is instructive both to the interpretation of review findings and framing of potential opportunities, as outlined in later report chapters.

C.1. Current characterisations of inclusion

According to the EYLF, inclusion involves taking “into account all children’s social, cultural and linguistic diversity (including learning styles, abilities, disabilities, gender, sexual identity, family circumstances and geographic location) in curriculum decision-making processes”.¹⁶² This section provides an overview of research about inclusion and inclusive practices, both in ECEC and across other educational settings.

C.1.1. Inclusive education

Inclusion involves valuing and facilitating the full participation and belonging of everyone in all aspects of the community.¹⁶³ Evidence shows that children and young people with disability who participate in early childhood education and school education are more likely to have better post-school opportunities and employment outcomes.¹⁶⁴ It is important to note that inclusion is not only about people with disability, although it is commonly associated with disability. It is in fact about including everyone and valuing and celebrating diversity. When the concept of inclusion is applied to education settings, the emphasis is on children learning together, where diversity is embraced, and children are provided with support as needed. Inclusion is regarded as a shared experience.¹⁶⁵

The United Nations Committee on the Rights of Persons with Disabilities (CRPD) defines inclusive education as adjustments in content, teaching methods, approaches, structures, and strategies to overcome barriers to the participation of children with and without disability, of similar age, in the same learning environment.¹⁶⁶ Inclusive education is not education within a mainstream education environment without these modifications (this is integration), and it is not education within a separate environment such as a special education setting or class (this is segregation). These concepts are illustrated in Figure C.1.

¹⁶² Australian Government Department of Education (AGDE) for the Ministerial Council, *Belonging, Being and Becoming: The Early Years Learning Framework for Australia (V2.0)* (2022) 29
<<https://www.acecqa.gov.au/sites/default/files/2023-01/EYLF-2022-V2.0.pdf>>.

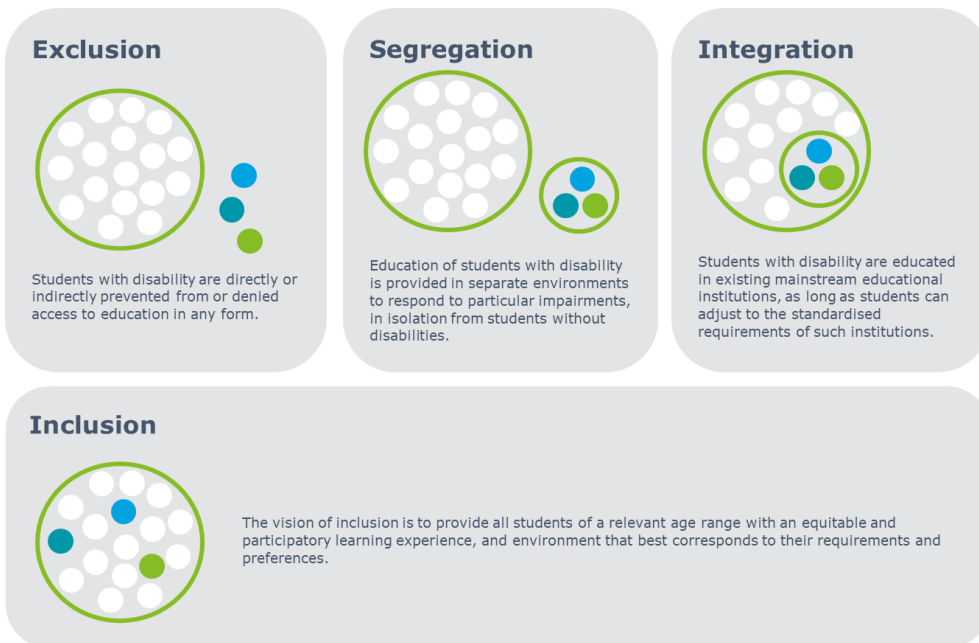
¹⁶³ Kathy Cologon, *Towards inclusive education: A necessary process of transformation* (Macquarie University for Children and Young People with Disability Australia (CYDA), 2019) 29.
<https://cyda.org.au/images/pdf/towards_inclusive_education_a_necessary_transformation.pdf>.

¹⁶⁴ Australian Government, Disability Gateway, *Early Childhood Targeted Action Plan* (4 February 2022)
<<https://www.disabilitygateway.gov.au/document/3146>>.

¹⁶⁵ Kathy Cologon, *Towards inclusive education: A necessary process of transformation* (Macquarie University for Children and Young People with Disability Australia (CYDA), 2019)
<https://cyda.org.au/images/pdf/towards_inclusive_education_a_necessary_transformation.pdf>.

¹⁶⁶ Australian Human Rights Commission, *The United Nations Convention on the Rights of Persons with Disabilities (UNCRPD)*. (n.d.) <<https://humanrights.gov.au/our-work/disability-rights/united-nations-convention-rights-persons-disabilities-uncrpd>>.

Figure C.1: Models of education for children with disability



Source: Adapted from Hehir, Grindal, Freeman, & Renée (2016).¹⁶⁷

The CRPD is based on a human-rights model of disability. Central to this model is an emphasis on human dignity and the centrality of the person with disability in decision making. The human-rights model can help educators to realise the human right to an inclusive education.¹⁶⁸

Alternative models of disability that are discussed in literature relating to inclusive education are the medical and the social model of disability. The medical model conceptualises disability as being a deviation from the norm and therefore something that requires remediation. The focus is on adapting an individual to fit into an environment that is suited to able-bodied individuals. This model is criticised for perpetuating ableism because it does not consider social and environmental factors that create barriers to access and participation for individuals with disability. The risk of adopting a medical model of disability when striving for improved inclusive practice is that it risks stigmatisation and segregation of children with disability or additional needs, which is inconsistent with inclusive practice.¹⁶⁹

On the other hand, the social model of disability emphasises that it is societal barriers that restrict or disadvantage an individual with disability. In education settings, these barriers might include educators' attitudes and knowledge about supporting children with disability.¹⁷⁰ Barriers may also extend beyond the capabilities of educators to include organisational structures in an educational context, along with the design of classrooms and the broader education environment (e.g., playgrounds).¹⁷¹ Funding models that place an emphasis on diagnostic criteria perpetuate the medical model of disability, by focusing on a child's deficits rather than their strengths.

¹⁶⁷ Thomas Hehir et al, *A Summary of the Evidence on Inclusive Education* (Alana Institute, August 2016) <<https://files.eric.ed.gov/fulltext/ED596134.pdf>>.

¹⁶⁸ Linda J. Graham et al, 'Fundamental Concepts of inclusive education' in Linda J. Graham (ed), *Inclusive Education for the 21st Century* (Routledge, 2020) 27.)

¹⁶⁹ Ibid.

¹⁷⁰ Ahmed, S. K., Jeffries, D., Chakraborty, A., Carslake, T., Lietz, P., Rahayu, B., Armstrong, D., Kaushik, A., & Sundarsagar, K. (2022). Teacher professional development for disability inclusion in low- and middle-income Asia-Pacific countries: An evidence and gap map. *Campbell Systematic Reviews*, 18(4), e1287.

¹⁷¹ Linda J. Graham et al, 'Fundamental Concepts of inclusive education' in Linda J. Graham (ed), *Inclusive Education for the 21st Century* (Routledge, 2020) 27.

C.1.2. Conceptualising inclusion in ECEC

Inclusive education in the early years has traditionally focused on catering for children with disability, and those considered to be 'at risk' or 'disadvantaged' in relation to factors such as socio-economic circumstances or geographical location.¹⁷² Contemporary definitions of inclusion in ECEC tend to be more broad, as is the case with the ISP, which provides support for children with a wide range of additional needs. Creating an inclusive learning environment in ECEC settings that is responsive to a diverse range of characteristics and needs can be challenging and sometimes an overwhelming endeavour for educators and services. Sometimes, despite the best of intentions, the results can be limited or underwhelming.¹⁷³ If children and their families do not experience inclusion in early education, there is an increased risk that they will continue to experience exclusion throughout their educational journey.¹⁷⁴

Within an early childhood context, inclusive education is a process that occurs within everyday moments in ECEC settings and requires ongoing commitment and reflection on the part of early years learning professionals.¹⁷⁵

The Early Childhood Australia (ECA) and Early Childhood Intervention Australia (ECIA) Position Statement on the Inclusion of Children with a Disability in Early Childhood Education and Care is a useful resource when considering what inclusion means in ECEC. The document states:

*"Children with a disability ... share with all children the right to be valued as individuals and as contributing members of families, communities and society. Every child is entitled to access and participate in ECEC programs which recognise them as active agents in their own lives and learning, respond to them as individuals, respect their families as partners and engage with their diverse backgrounds and cultures. This means that ECEC services and support professionals must be resourced and supported to the level required to fully include children with a disability and to achieve high-quality outcomes for all children."*¹⁷⁶

An inclusive ECEC sector requires capacity building at community, organisation, group and individual levels through participation, practicing new strategies, and contributing to the organisation's overall inclusive capacity. Inclusive practice, though a potentially powerful agent for positively influencing educational and social outcomes for children with disability, is but one of many factors that should be considered in inclusive policy and practice. Inclusion is most successful in ECEC settings where a child is able to access and participate in activities and learning alongside their peers, where they feel welcome, where they know they belong, where they know they are safe, and where their voice is heard and acted upon.¹⁷⁷

C.1.2.1. Ecological systems theory

Inclusive practice within education environments requires a multi-level approach that considers the interaction between the child and external factors and systems including the cultural, social, economic, and political contexts.¹⁷⁸ Bronfenbrenner's bioecological model (1994), originally named the 'ecological systems theory', is a theoretical model that explains the complex interactions between these systems and suggests that the inclusion of a child with a disability in an educational

¹⁷² Michelle Turner and Amanda Morgan, 'Opening eyes onto inclusion and diversity in early childhood education' in Susan Carter (ed), *Opening Eyes onto Inclusion and Diversity* (University of Southern Queensland, 2019) 50.

¹⁷³ Ibid.

¹⁷⁴ Kathy Cologon, *Towards inclusive education: A necessary process of transformation* (Macquarie University for Children and Young People with Disability Australia (CYDA), 2019) <https://cyda.org.au/images/pdf/towards_inclusive_education_a_necessary_transformation.pdf>.

¹⁷⁵ Ibid.

¹⁷⁶ Early Childhood Australia and Early Childhood Intervention Australia. *Position statement on the inclusion of children with a disability in early childhood education and care* (2012) <http://www.earlychildhoodaustralia.org.au/wp-content/uploads/2014/06/ECA_Position_statement_Disability_Inclusion_web.pdf>.

¹⁷⁷ The Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability and the University of Melbourne, *Outcomes associated with 'inclusive', 'segregated' and 'integrated' settings for people with disability: Research Report Disability Royal Commission Report* (2023).

¹⁷⁸ Joanna Anderson et al, 'The Ecology of Inclusive Education: Reconceptualising Bronfenbrenner' in H. Zhang et al (Eds.), *Equality in Education: Fairness and Inclusion* (Sense Publishers, 2014) 23.

environment is influenced by the bidirectional interaction between these systems.^{179, 180} Successful inclusion needs to be enabled and fostered at all levels of the education ecosystem.

An education ecosystem conceptualises the connection and collaboration between all stakeholders involved in supporting children and providing quality education and care. Like a natural ecosystem, each of these stakeholders plays a unique and complementary role, and there is interaction and an interdependence between each level of the ecosystem. When examining the concept of inclusion in education through an ecological lens, it is important to consider the interrelationships between various people and societal systems, ranging from the individual student at the centre of inclusive practice through to state and territory influences and the national and global contexts that more broadly impact on the inclusion of children with disability and additional needs.¹⁸¹

Figure C.2 demonstrates how the bioecological model can be applied to inclusive early childhood education settings in Australia. The child is at the centre of the model. Children with disability and additional needs in ECEC each have distinctive and individualised characteristics and support needs. Factors within each level of the bioecological model have the potential to facilitate or impede the inclusion of the child with disability. The model emphasises the interrelatedness between the developing child and the environment in which their development takes place.

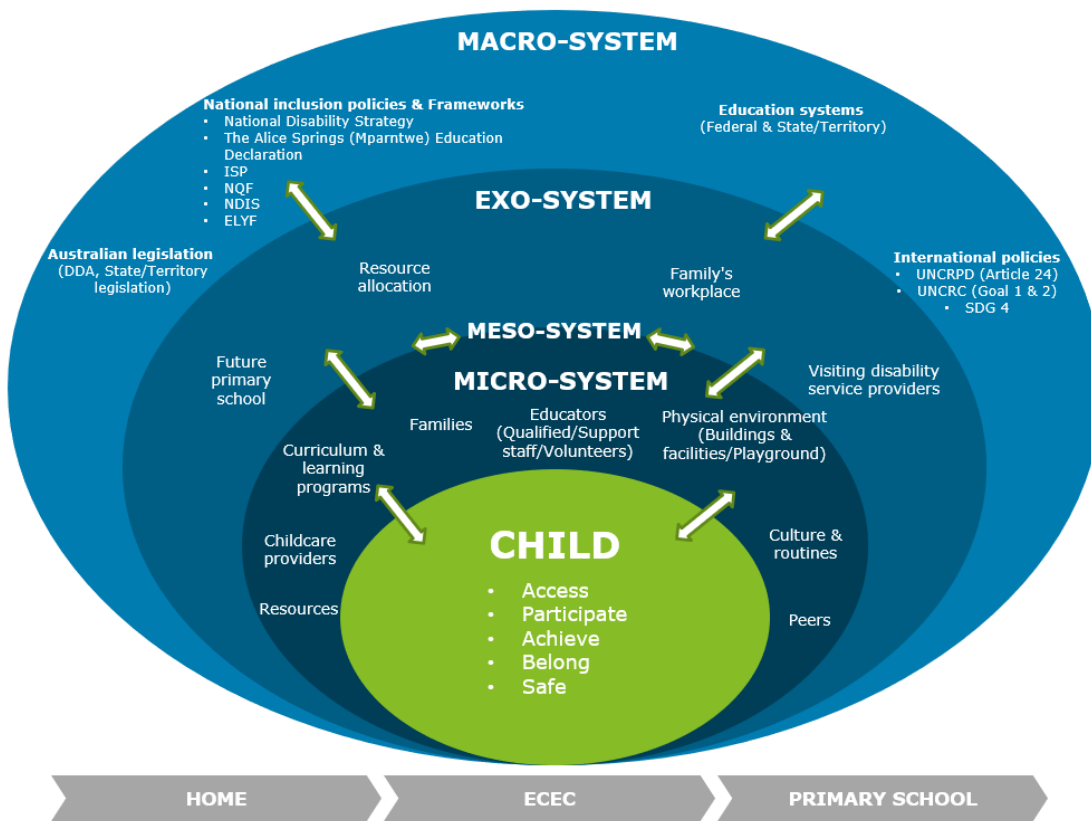
By conceptualising the child at the centre of the model, there is an emphasis on the importance of recognising the child's individual strengths and needs, regardless of the nature of their disability. It also emphasises the importance of the child being an active participant in their social development and learning experiences.

¹⁷⁹ Mike McLinden et al, Supporting Children with Disabilities in Low- and Middle- Income Countries: Promoting Inclusive Practice within Community-Based Childcare in Malawi through a Biological Systems Perspective (2018) 50 *International Journal of Early Childhood* 159.

¹⁸⁰ Ibid.

¹⁸¹ Joanna Anderson et al, 'The Ecology of Inclusive Education: Reconceptualising Bronfenbrenner' in H. Zhang et al (Eds.), *Equality in Education: Fairness and Inclusion* (Sense Publishers, 2014) 23.

Figure C.2: A bioecological model applied to inclusion in ECEC settings



Source: Deloitte Access Economics (2023)

Successful inclusive practice needs to be enabled and fostered at a macro level (the outermost level), leveraging legislative instruments, policy, service provision, training and professional learning and development, and the structure and organisation of education settings – see Appendix section C.2 for an overview of Australian legislative and regulatory frameworks.¹⁸²

Inclusion also needs to be considered at the exo-level (the intermediate level) where factors within the ECEC environment can influence inclusive culture. This includes leadership structures, staff, culture of the ECEC setting, attitudes of staff and the broader community, centre values, rituals, policies, procedures, and collaborative practices.

At the micro-level (the centre of the education ecosystem), which is at the level of the individual, factors that impact a child’s inclusive experience at school include the formal and informal learning environments that directly surround the child, such as the social aspects of the ECEC setting, staff, peers, physical spaces, ECEC cultures and routines, resources, the centre’s physical environment (e.g., the buildings and outdoor play area) and the child’s family.

Finally, the chrono-level of the bioecological model signifies child development over time. Transitions between education settings are of significant importance when considering effective inclusion of children with disability and additional needs. When considering this from an ECEC perspective, important periods of transition include when a child commences in an ECEC setting, or moves between settings, and the transition from ECEC setting to formalised schooling.

¹⁸² The Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability and the University of Melbourne, *Outcomes associated with 'inclusive', 'segregated' and 'integrated' settings for people with disability: Research Report Disability Royal Commission Report (2023)*.

Figure C.3 outlines the key features of each of the levels of the bioecological model when applied to inclusion in ECEC settings.

Figure C.3: Key features of the various levels of the bioecological model

CHILD	Successful inclusion is child-centred Inclusion is realised when there is an emphasis on a child’s access, participation, achievement, sense of belonging and safety.
MICRO-SYSTEM	Factors in the immediate environment around the child at ECEC A child in ECEC may face barriers in the system, such as the inaccessible environments or negative attitudes from others.
MESO-SYSTEM	The relationships and interactions between the different component of the microsystem A child may experience challenges in ECEC if the centre and the family do not work together to provide appropriate adjustments and support.
EXO-SYSTEM	Factors outside the immediate environment that impact upon the child’s development Inclusive policies and practices in this system can improve a child’s access and participation in ECEC.
MACRO-SYSTEM	The larger socio-cultural context (e.g., global, political, social & historical factors that together shape inclusive practice) The broader context can promote inclusion through policies and attitudes that support the rights of children with disability.
CHRONO-SYSTEM	Represents human development over time, where early childhood development processes and systems are dynamic; some are age specific, and others are more continuous Facilitating effective transition between educational phases/settings is particularly relevant for children with disability.

Source: Deloitte Access Economics (2023)

C.1.2.2. Wrap-around supports

‘Wrap-around’ models of support involve a coordinated collaborative partnership between a child’s family and other supports and service providers invested in caring for and educating a child with disability or additional needs. The team collaboratively plans for the individualised support of the child, which is often coordinated by a trained facilitator. The idea behind wrap-around support is that key stakeholders work towards a single plan that incorporates an array of services and supports accessed by the child and their family.¹⁸³ Wrap-around support through evidence-based early intervention services and programs has been found to contribute to radical improvements in outcomes for Australian children and has social and economic benefits, including:¹⁸⁴

- improving the lives of children and young people, and strengthening communities
- reducing pressure on government budgets and driving future savings
- boosting workforce skills and capabilities and building the economy.

Navigating the many supports available is often a complex process, which can be facilitated by an embedded ‘navigator’ role to help families access services. An approach that is integrated, incorporating the various layers of an ecosystem surrounding the child, is likely to improve outcomes for children with disability or additional needs and improve the wellbeing of families. Community-led services, including First Nations communities, provide wraparound support delivering significant benefits.¹⁸⁵

Box 3.2: Family voice in facilitating inclusive practice

Including the voice of families is important when considering how to facilitate inclusive participation and belonging of children as they transition from home environments to educational contexts in ECEC. The significance of family voice is evident in Early Childhood Intervention Australia (ECIA)’s National

¹⁸³ The Centre for Policy Development (CPD), *Starting Better – A Guarantee for Young Children and Families* (November 2021) <<https://cpd.org.au/wp-content/uploads/2021/11/CPD-Starting-Better-Report.pdf>>.
¹⁸⁴ Thrive by Five, *Summary report: How Australia can invest in children and return more: A new look at the \$15bn cost of late action* (n.d.) <https://thrivebyfive.org.au/wp-content/uploads/2023/05/coli_summary_final-art_electronic_02.pdf>.
¹⁸⁵ The Centre for Policy Development (CPD), *Starting Better – A Guarantee for Young Children and Families* (November 2021) <<https://cpd.org.au/wp-content/uploads/2021/11/CPD-Starting-Better-Report.pdf>>.

Guidelines which note 'family-centred and strengths-based practice' as one of eight key best practices in early childhood intervention.¹⁸⁶ Family-centred and strengths-based practice is described as "a set of values, skills, behaviour and knowledge that recognises the central role of families in children's lives."¹⁸⁷ The practice emphasises professionals and families working collaboratively and building on family strengths. In addition to contextualising family centred practice, the Guidelines outline four guiding principles of this practice, as well as a help-giving practices model for 'enabling and empowering families'.¹⁸⁸ Effective family-centred practice is noted to lead to improvements in: child behaviour and wellbeing; family functioning; levels of social support available to families; family satisfaction with services; parental self-efficacy; and improved child developmental outcomes.¹⁸⁹

Ultimately, the engagement and involvement of caregivers is a critical component of improving educational outcomes for children. Families are the primary advocates for a child and have a breadth of understanding and experience of a child's abilities, strengths and effective adjustments that encourage participation of the child.¹⁹⁰ This is a particularly important consideration for children with disability and additional needs.

ECEC services work in conjunction with families to support children and having consistency and understanding across both home and educational centre contexts promotes routine and reduces the need for the child to adjust. Incorporating effective communication and prioritising substantive conversations with family in decision making centres the needs of the child in educational contexts to better understand and implement effective adjustments to include children.¹⁹¹ Establishing quality partnerships between family and educators creates a clear connection between both domains for children and enables opportunities for routine and consistency to better support inclusivity for all children.

An example of including family voice in facilitating inclusive practice is the Queensland Department of Education, Training and Employment's *Parent and Community Engagement Framework*.¹⁹² The Framework was developed to improve collaboration and engagement between schools and parents and communities, in order to improve student outcomes. The Framework is based on the following five principles: communication, learning partnerships, community collaboration, decision making, participation.¹⁹³ Under each of these principles, there are points for schools to consider and ideas for achieving results.

Despite some people holding the view that inclusion of children with additional needs may be detrimental to other children or group members, evidence challenges this notion, and shows that peers are not disadvantaged or harmed through inclusive learning environments. On the contrary, evidence shows that they grow and develop as a result of the relationships they cultivate and sustain with each other.¹⁹⁴ When done well, inclusion has multiple benefits for children with and without disability:

¹⁸⁶ Early Childhood Intervention Australia, *National Guidelines: Best Practice in Early Childhood Intervention*, <<https://www.eciavic.org.au/documents/item/1419>>.

¹⁸⁷ Ibid.

¹⁸⁸ Ibid.

¹⁸⁹ Ibid.

¹⁹⁰ Glenys Mann et al, 'Developing productive partnerships with parents and carers' in Linda J. Graham (ed), *Inclusive Education for the 21st Century* (Routledge, 2020) 336.

¹⁹¹ Glenys Mann et al, 'Developing productive partnerships with parents and carers' in Linda J. Graham (ed), *Inclusive Education for the 21st Century* (Routledge, 2020) 336.

¹⁹² Queensland Department of Education and Training, *Parent and Community Engagement Framework – At a Glance*, <[¹⁹³ Ibid.](https://education.qld.gov.au/parents/Documents/parent-community-engagement-a-glance.pdf#:~:text=The%20Parent%20and%20Community%20Engagement%20Framework%20supports%20schools,between%20principals%2C%20teachers%2C%20students%2C%20parents%20and%20the%20community.>>.</p></div><div data-bbox=)

¹⁹⁴ Michelle Turner and Amanda Morgan, 'Opening eyes onto inclusion and diversity in early childhood education' in Susan Carter (ed), *Opening Eyes onto Inclusion and Diversity* (University of Southern Queensland, 2019) 50.

- **It sets children with disability up for an inclusive pathway throughout life.** Experiences in early childhood education can show children and families that disability does not impede access to quality and inclusive education
- **It provides children with disability and additional needs with the same learning opportunities as other children, which are vital for their development.** Meaningful participation in the same range of activities and environments is a major driver of development for all children
- **It promotes awareness and understanding of diversity and difference for all learners.** Inclusion in early childhood learning is an opportunity to build an inclusive mindset in all children and encourage an understanding that everyone belongs in society.¹⁹⁵

C.2. Australian policy, legislative, regulatory and funding frameworks

Established within a social justice paradigm, inclusive education in Australia promotes the rights of families to decide which education setting to enrol their child into, irrespective of their additional needs or disability.

These rights are enshrined in various policy, legislative, regulatory and funding frameworks, at both the national and state/territory level. This section outlines how inclusion is integrated into intergovernmental commitments and policy statements (the policy framework), funding, approved learning frameworks, national quality standards, and regulatory and legislative requirements.

C.2.1. National frameworks

At present, no national Australian inclusive education policy exists.

However, the **Disability Discrimination Act 1992** (DDA)¹⁹⁶ is key legislation that protects the rights of individuals with disability. The DDA applies to all ECEC services. Under the Act, services are not allowed to discriminate against children on the grounds of their disability. Approved providers, service supervisors, management and educators of ECEC services have a responsibility to ensure that they meet their legal obligations under the DDA.

The DDA defines disability broadly as:

- “total or partial loss of the person's bodily or mental functions; or
- total or partial loss of a part of the body; or
- the presence in the body of organisms causing disease or illness; or
- the presence in the body of organisms capable of causing disease or illness; or
- the malfunction, malformation, or disfigurement of a part of the person's body; or
- a disorder or malfunction that results in the person learning differently from a person without the disorder or malfunction; or
- a disorder, illness or disease that affects a person's thought processes, perception of reality, emotions or judgement or that results in disturbed behaviour;

and includes a disability that:

- presently exists; or
- previously existed but no longer exists; or
- may exist in the future (including because of a genetic predisposition to that disability); or
- is imputed to a person.”

An ‘imputed’ disability is something that someone believes another person has. To impute a disability an educator must have reasonable grounds to make such a judgement.¹⁹⁷ At a minimum

¹⁹⁵ Tim Moore, *Realising the Potential: A Literature Review of Best Practices in Early Childhood Intervention Services*. (Murdoch Children's Research Institute, 2019).

¹⁹⁶ Australian Government, *Disability Discrimination Act 1992* (19 April 1992) <<https://www.legislation.gov.au/Details/C2018C00125>>.

¹⁹⁷ Australian Government, Department of Education, Skills and Employment, *Imputing disability for the NCCD* (Education Services Australia, 2021) < <https://www.nccd.edu.au/tools/imputing-disability-nccd>>.

the child's family should have been consulted about concerns the ECEC team has, and they should be involved in identifying reasonable adjustments to address the identified concerns.

The **Disability Standards for Education 2005** (DSE)¹⁹⁸ are subordinate legislation that clarify the obligations of education and training providers under the DDA. This includes preschool, kindergarten, school, vocational education and training, and higher education settings. The DSE require that educational institutions ensure students with disability are able to access and participate in educational experiences on 'the same basis as other students.' It covers areas such as enrolment, curriculum and assessment, student support services, physical environment and the process for appeals and complaints.

The 2020 review of the DSE¹⁹⁹ highlighted that, despite some ECEC providers and educators believing that the DSE apply to childcare providers, currently they do not. The review noted that the exclusion of childcare providers from the DSE appeared to be anomalous given that reforms in ECEC have increasingly emphasised the educational purpose of ECEC services. There is strong support in the review for making sure ECEC educators and providers better understand their responsibilities under the DDA, as it was found through the consultation process that many educators in the ECEC sector, as is the case in other education sectors, had not heard of the DDA or lacked an understanding of its implications for children in ECEC services. This was believed to be partially explained by a lack of training. The review recommended that ECEC providers know about and understand the DDA and that ECEC rules and policies align with the DDA. It also recommended that the National Quality Framework (NQF) required future amendments to align with the DDA. The review concluded that the DSE should be amended to include the ECEC sector.^{200,201}

The **National Disability Insurance Scheme (NDIS)**, enacted through the *National Disability Insurance Scheme Act 2013*, takes a nationally consistent approach to providing support for children younger than seven who have disability or developmental delay. This operates through the early childhood approach. This approach provides extra support to young children who need it early in their lives to help them build their skills so they can take part in everyday activities. The NDIS early childhood approach focuses on giving children the best possible start in life and aims to support children's inclusion and participation in mainstream and community settings such as playgroup, childcare, kindergarten or preschool.

The ISP allows for an integrated approach to service delivery that includes collaboration with other services and programs such as those provided through NDIS early childhood partners. Under the early childhood approach, children younger than 7 with a disability or a developmental delay, and children, younger than 6 who do not fully meet the definition of developmental delay and have developmental concerns are eligible to be supported through the early childhood approach. Starting from 1 July 2023, the NDIS early childhood approach is progressively expanding its age range to include children younger than 9. This expansion will take place over the next 2 years, to better align with the Australia wide definition of early childhood and to ensure that children and their families receive support from an early childhood partner during and after transitioning to primary school.²⁰²

¹⁹⁸ Australian Government Department of Education, *Disability Standards for Education 2005* (12 September 2022) <<https://www.education.gov.au/disability-standards-education-2005>>.

¹⁹⁹ Australian Government Department of Education, *Final Report – 2020 Review of the Disability Standards for Education 2005* (12 March 2021) <<https://www.education.gov.au/disability-standards-education-2005/2020-review-disability-standards-education-2005/final-report>>.

²⁰⁰ Ibid.

²⁰¹ Australian Government, Disability Gateway, *Early Childhood Targeted Action Plan* (4 February 2022) <<https://www.disabilitygateway.gov.au/document/3146>>.

²⁰² National Disability Insurance Scheme (NDIS), *The age of children supported under the NDIS early childhood approach is changing* (19 May 2023) <<https://www.ndis.gov.au/news/9175-age-children-supported-under-ndis-early-childhood-approach-changing>>.

Under the early childhood approach, children are not required to have a formal diagnosis of disability.²⁰³ This aligns with the DDA definition that includes ‘imputed’ disability’.²⁰⁴ Services available through the early childhood approach can include speech therapy, occupational therapy, physiotherapy, and other forms of support.²⁰⁵ The scheme also provides funding for respite care and other forms of support for families of children with disability, as well as for support workers to help families navigate the NDIS system and access the services they need.²⁰⁶

Box 3.3: NDIS and its interaction with ECEC

The NDIS encourages early childhood partners to collaborate closely with ECEC providers to ensure coordinated and inclusive services. There are no specific restrictions for jurisdictions in Australia and ECEC providers are not prohibited from supporting NDIS providers in their settings.

However, the level of engagement and coordination between ECEC providers and NDIS providers may vary across different jurisdictions, organisations, and individual settings. This is due to the varied implementation of the NDIS across different states and territories, and the ways in which types of supports on offer can be influenced by the preferences of disability service providers.

Feedback from service providers indicates that there is a perception that the NDIS is not effectively utilised to develop capacity at a broader service level. This is likely because the NDIS is designed to be highly individualised, focusing on tailoring supports and services to meet the specific needs of each child.

To proactively engage with NDIS service providers, school education authorities have developed guidelines for schools to facilitate the process.^{207,208} However, similar uniform operational guidelines do not exist in ECEC, due to the mixed-market nature of the sector, encompassing government, private for-profit and not-for-profit providers.

Under the National Quality Framework (NQF), ECEC services are required to maintain a broad range of policies and procedures relating to health, safety and wellbeing of children in care²⁰⁹. In particular, regulation 168(2)(j) requires services to maintain a policy and procedure in relation to interactions with children, including having “regard to the family and cultural values, age, and physical and intellectual development and abilities of each child being educated and cared for by the service”.²¹⁰ This may include identified approaches to support the inclusion of children with additional needs within the service, such as approaches to coordinating support with NDIS service providers. However, despite these explicit regulatory requirements, the format and substantive material covered in these policies and procedures can vary depending on provider.

Notably, some larger organisations, such as Goodstart Early Learning, operate both as an approved provider of ECEC services and as a registered NDIS provider. This has allowed these providers to

²⁰³ National Disability Insurance Agency (NDIA), *The early childhood approach for children younger than 7* (12 December 2022) <<https://www.ndis.gov.au/understanding/families-and-carers/early-childhood-approach-children-younger-7>>.

²⁰⁴ Australian Government, *Disability Discrimination Act 1992* (19 April 1992) <<https://www.legislation.gov.au/Details/C2018C00125>>.

²⁰⁵ National Disability Insurance Scheme (NDIS), *Understanding NDIS – The early childhood approach for children younger than 7* (2022) <<https://www.ndis.gov.au/understanding/families-and-carers/early-childhood-approach-children-younger-7>>.

²⁰⁶ Ibid.

²⁰⁷ Department of Education, Victoria, *NDIS information for schools* (8 June 2023) <<https://www.education.vic.gov.au/school/teachers/learningneeds/Pages/ndis-at-school.aspx>>.

²⁰⁸ Catholic Education Commission of Victoria Ltd, *NDIS/External Providers: Guidelines for Schools* (n.d.) <<https://www.cecv.catholic.edu.au/getmedia/cec12bdf-5e03-4d3a-ac47-504fe084f415/NDIS-External-Providers-Guidelines.aspx?ext=.pdf#:~:text=The%20NDIS%2FExternal%20Providers%3A%20Guidelines%20for%20Schools%20has%20been,supported%20by%20the%20National%20Disability%20Insurance%20Scheme%20%28NDIS%29>>.

²⁰⁹ Regulation 168, Education and Care Services National Regulations (2011)

²¹⁰ Australian Children’s Education & Care Quality Authority (ACECQA), *National Regulations* (2023) <<https://www.acecqa.gov.au/nqf/national-law-regulations/national-regulations>>.

adopt an integrated, holistic and collaborative approach to support early intervention and enable ongoing access to education and care.

The 2020 review of the DSE²¹¹ recommended that families would benefit from having more clarification regarding how the NDIS works in ECEC due to the fact that families and educators reported confusion about the roles and responsibilities between educators/education providers and the NDIS. This was found to have the potential to delay or impact on the appropriateness of supports. The review found that the interface between NDIS and the education sector was complex and the boundaries between the service systems needed to be clarified and communicated to ECEC providers and families.

The **National Quality Framework** (NQF) is the national framework for ECEC in Australia and includes the *Education and Care Services National Law Act* and the *Education and Care Services National Regulations (National Law and Regulations)*. The National Law and Regulations apply to all long day care, family day care, preschool/kindergarten, and outside school hours care services in Australia, unless explicitly excluded from the Law as outlined within the legislation. The National Regulations set out the minimum requirements for ECEC services in Australia.²¹² These regulations include requirements related to the provision of inclusive and culturally responsive education and care services, the implementation of anti-discrimination policies and practices and the provision of reasonable accommodations for children with disability.²¹³

The NQF also promotes valuing diversity more broadly, including Aboriginal and Torres Strait Islander people, people from culturally and linguistically diverse backgrounds and people from diverse family compositions.²¹⁴

The **Early Years Learning Framework** (EYLF) is a national framework that guides educators in planning, delivering, and assessing ECEC programs and helps to ensure that all children have access to high-quality and developmentally appropriate education and care.²¹⁵

Equity and inclusion are central pillars of the EYLF. The framework recognises the diversity of children's backgrounds, experiences, and abilities, and aims to provide a high-quality, inclusive education for all children.²¹⁶ It recognises that, in accordance with the United Nations Convention on the Rights of the Child (the Convention), all children have the right to an education that lays a foundation for the rest of their lives, maximises their ability, and respects their family, cultural and other identities and languages. The Convention also recognises children's right to play and be active participants in all matters affecting their lives.²¹⁷

Equity and inclusion are reflected in the EYLF in the following ways:

- **Belonging, Being, Becoming**

- The three key principles of the EYLF are grounded in equity and inclusion

²¹¹ Australian Government Department of Education, *Final Report – 2020 Review of the Disability Standards for Education 2005* (12 March 2021) <<https://www.education.gov.au/disability-standards-education-2005/2020-review-disability-standards-education-2005/final-report>>.

²¹² Australian Children's Education & Care Quality Authority (ACECQA), *National Regulations* (2023) <<https://www.acecqa.gov.au/nqf/national-law-regulations/national-regulations>>.

²¹³ New South Wales Government, *NSW legislation, Education and Care Services National Regulations* (1 March 2023), <<https://legislation.nsw.gov.au/view/html/inforce/current/sl-2011-0653>>.

²¹⁴ Michelle Turner and Amanda Morgan, 'Opening eyes onto inclusion and diversity in early childhood education' in Susan Carter (ed), *Opening Eyes onto Inclusion and Diversity* (University of Southern Queensland, 2019) 50.

²¹⁵ Australian Government Department of Education (AGDE) for the Ministerial Council, *Belonging, Being and Becoming: The Early Years Learning Framework for Australia* (2009), <https://www.acecqa.gov.au/sites/default/files/2018-02/belonging_being_and_becoming_the_early_years_learning_framework_for_australia.pdf>.

²¹⁶ Ibid.

²¹⁷ Ibid.

- The principle of belonging recognises the importance of children feeling included and valued in their learning environment, while the principle of being emphasises the importance of providing equitable opportunities for all children to learn and develop
 - The principle of becoming reflects the belief that every child has the right to reach their full potential, regardless of their background or circumstances.²¹⁸
- **Cultural Competence**
 - The EYLF emphasises the importance of cultural competence in early childhood education
 - This involves understanding and respecting the diversity of children's cultures, languages, and backgrounds, and providing a learning environment that is inclusive and supportive of diversity.²¹⁹
- **Inclusive Practice**
 - The EYLF encourages inclusive practice in ECEC such as creating a learning environment that is respectful of diversity
 - This includes providing appropriate support for children with additional needs, engaging with families and communities and adapting teaching strategies to meet the needs of all children.²²⁰
- **Learning Outcomes**
 - The five learning outcomes of the EYLF reflect the importance of equity and inclusion by focusing on children's individual strengths, interests and abilities
 - The outcomes emphasise the significance of providing a supportive learning environment that allows children to develop social and emotional skills, communication skills, and a sense of agency and autonomy.²²¹
- **Professional Development**
 - The EYLF recognises the importance of ongoing professional development for ECEC educators to promote equity and inclusion in ECEC
 - Educators are encouraged to reflect on their own beliefs, biases and values, and to engage in ongoing learning to support their educational practice and improve outcomes for children.²²²

The ISP adopts the definition of inclusion from the EYLF (v1.0), which defines 'inclusion' as:

"Taking into account all children's social, cultural and linguistic diversity (including learning styles, abilities, disabilities, gender, family circumstances and geographic location) in curriculum decision-making processes. The intent is to ensure that all children's experiences are recognised and valued. The intent is also to ensure that all children have equitable access to resources and participation, and opportunities to demonstrate their learning and to value difference."²²³

The EYLF also contributes to the realisation of the 2019 Alice Springs (Mparntwe) Education Declaration 2019. As stated in the EYLF, the Declaration:

"commits governments to ensuring all children learn about the diversity of Aboriginal and Torres Strait Islander cultures, and to seeing all Aboriginal and Torres Strait Islander children thrive in their education and all facets of life. Contributing to this goal, the National Agreement on Closing the Gap, led by the Coalition of Aboriginal and Torres Strait Islander

²¹⁸ Australian Government Department of Education (AGDE) for the Ministerial Council, *Belonging, Being and Becoming: The Early Years Learning Framework for Australia* (2009), <https://www.acecqa.gov.au/sites/default/files/2018-02/belonging_being_and_becoming_the_early_years_learning_framework_for_australia.pdf>.

²¹⁹ Ibid.

²²⁰ Ibid.

²²¹ Ibid.

²²² Ibid.

²²³ Ibid.

*Organisations and all Australian governments, identifies early childhood education, care and development as a national policy priority. Furthermore, it commits to ensuring all Aboriginal and Torres Strait Islander children are engaged in high-quality, culturally appropriate early childhood education in their early years. Early childhood education has a critical role to play in delivering this outcome and advancing Reconciliation in Australia.*²²⁴

The **Aboriginal and Torres Strait Islander Early Childhood Development Strategy** aims to improve outcomes for Aboriginal and Torres Strait Islander children through targeted initiatives and programs. It includes a focus on culturally appropriate and inclusive ECEC services that are responsive to the needs of Aboriginal and Torres Strait Islander children and families.²²⁵ The Strategy has a key focus on the importance of building culturally responsive practices, supporting children with disability and additional needs, strengthening partnerships with families and communities and providing professional learning and development opportunities for educators.²²⁶

The **Multicultural Policy Statement** outlines the Australian Government's commitment to a culturally diverse and inclusive society. It includes a focus on promoting multiculturalism in ECEC services and ensuring that all children and families feel valued and included.²²⁷

The Department of Social Services implements **Australia's Disability Strategy 2021-2031** that covers different sectors, considering intersectionality and diversity.²²⁸ There are five Targeted Action Plans, namely:

- Community Attitudes Targeted Action Plan
- Early Childhood Targeted Action Plan
- Emergency Management Targeted Action Plan
- Employment Targeted Action Plan
- Safety Targeted Action Plan

The **Early Childhood Targeted Action Plan** aims to improve the access, participation, and outcomes of children in early childhood education and care services, particularly those from disadvantaged or vulnerable backgrounds.²²⁹ It has the following objectives:

- Enable early identification of disability or developmental concerns and develop clearer pathways and timely access to appropriate supports
- Strengthen the capability and capacity of key services and systems to support parents and carers to make informed choices about their child
- Encourage a stronger sense of inclusion and provide opportunities for parents, carers and children to build peer networks, including for Aboriginal and Torres Strait Islander and culturally and linguistically diverse parents and carers.²³⁰

The Early Childhood Targeted Action Plan maintains inclusion as a key priority through funding for children with disability and additional needs, building inclusive practice, professional learning and

²²⁴ Australian Government Department of Education (AGDE) for the Ministerial Council, *Belonging, Being and Becoming: The Early Years Learning Framework for Australia (V2.0)* (2022) <<https://www.acecqa.gov.au/sites/default/files/2023-01/EYLF-2022-V2.0.pdf>>.

²²⁵ National Indigenous Australians Agency (NIAA), *National Aboriginal and Torres Strait Islander Early Childhood Strategy* (7 December 2021) <<https://www.niaa.gov.au/resource-centre/indigenous-affairs/national-aboriginal-and-torres-strait-islander-early-childhood-strategy>>.

²²⁶ Ibid.

²²⁷ Parliament of Australia, *Multicultural policy since 2010: a quick guide* (27 September 2021) <https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/rp/rp2122/Quick_Guides/MulticulturalPolicySince2010>.

²²⁸ Disability Gateway, Australian Government, *Australia Disability Strategy 2021-2031, Early Childhood Targeted Action Plan* (2021) <<https://www.disabilitygateway.gov.au/sites/default/files/documents/2021-12/1886-tap-early-childhood.pdf>>.

²²⁹ Ibid.

²³⁰ Disability Gateway, Australian Government, *Early Childhood Targeted Action Plan* (4 February 2022) <<https://www.disabilitygateway.gov.au/sites/default/files/documents/2021-12/1886-tap-early-childhood.pdf>>.

development for educators and a commitment to monitoring and reporting on the participation and outcomes of children with disability and additional needs in ECEC services.²³¹

Box 3.4: Australia’s National Autism Strategy²³²

There is currently work underway to develop an Australian National Autism Strategy (the Strategy). This will be a whole-of-life plan for all autistic Australians and will span a number of key reform areas including healthcare, education and employment. The Strategy will guide a more coordinated, national approach to supporting autistic people through each stage of their lives.

The Strategy will be developed through consultation with:

- autistic people
- their families and carers
- the autism sector
- researchers.

An Oversight Council will collaborate with several Working Groups to co-design the Strategy so that it considers:

- 1 Social inclusion
- 2 Economic inclusion
- 3 Diagnosis, supports and services
- 4 A National Roadmap to improve the health and mental health of autistic people

The Strategy will sit alongside Australia’s Disability Strategy 2021-2031.

This new Strategy will present opportunities for ECEC services to improve on the existing supports available to autistic children and their families.

C.2.2. State and territory frameworks

Table C.1 provides a summary of legislative and regulatory frameworks which consider inclusion across the states and territories.

Table C.1: State-level legislative and regulatory frameworks

State / territory	Relevant legislative and regulatory frameworks
Victoria	<p>Equal Opportunity and Human Rights Commission Act 2010</p> <ul style="list-style-type: none"> • The Equal Opportunity and Human Rights Commission Act 2010 is a Victorian law that establishes the Victorian Equal Opportunity and Human Rights Commission (VEOHRC)²³³ • It also applies to the ECEC sector in the state. • ECEC services are required to comply with the Act and ensure that they do not discriminate against children, families, or staff on any of the grounds protected by the Act.

²³¹ Disability Gateway, Australian Government, *Australia Disability Strategy 2021-2031, Early Childhood Targeted Action Plan* (2021) <<https://www.disabilitygateway.gov.au/sites/default/files/documents/2021-12/1886-tap-early-childhood.pdf>>

²³² Australian Government, Department of Social Services, *National Autism Strategy* (2 June 2023) <<https://www.dss.gov.au/disability-and-carers/national-autism-strategy#2>>.

²³³ Victorian Equal Opportunity & Human Rights Commission, *Equal Opportunity Act* (n.d.) <<https://www.humanrights.vic.gov.au/legal-and-policy/victorias-human-rights-laws/equal-opportunity-act/>>.

State / territory	Relevant legislative and regulatory frameworks
	<p>Victorian Child Safe Standards 2022</p> <ul style="list-style-type: none"> • The Victorian Child Safe Standards were introduced to promote the safety and wellbeing of children in all settings, including ECEC services.²³⁴ • The standards require services to create a child-safe culture, develop policies and procedures to protect children from harm, and promote the participation of children and families in decision-making processes.²³⁵
New South Wales	<p>Anti-Discrimination Act 1977</p> <ul style="list-style-type: none"> • The Anti-Discrimination Act 1977 is a NSW law that prohibits discrimination on the grounds of various protected attributes, such as age, gender, disability and race in various areas of provision of goods and services and public life, including education.²³⁶ • In relation to inclusion in ECEC in NSW, the Anti-Discrimination Act 1977 means that ECEC services must not discriminate against children or families on the basis of any of the aforementioned protected attributes. <p>NSW Child Safe Standards 2022</p> <ul style="list-style-type: none"> • Similar to the Victorian Child Safe Standards, the NSW Child Safe Standards are a set of child protection principles that aim to promote the safety and wellbeing of children in all settings, including schools, ECEC services and other organisations that work with children.²³⁷ • The standards apply to all organisations that provide services or facilities to children, regardless of whether they are government or non-government organisations.
Western Australia	<p>Equal Opportunity Act 1984</p> <ul style="list-style-type: none"> • Similar to the Anti-Discrimination Act in NSW, in WA, the Equal Opportunity Act 1984 is the law that prohibits discrimination on the grounds of various protected attributes, such as age, gender, disability and race in various areas of provision of goods and services and public life, including education.²³⁸ • In relation to inclusion in ECEC in WA, the Equal Opportunity Act 1984 means that ECEC services must not discriminate against children or families on the basis of any of the aforementioned protected attributes.²³⁹ • This means that ECEC services in WA must provide an inclusive and welcoming environment for all children and families and ensure that no child or family is excluded or treated unfairly because of their characteristics or identity.²⁴⁰ • ECEC services must also provide reasonable accommodations and support for children with disabilities and additional needs to ensure they can fully participate in the Program.²⁴¹

²³⁴ Victorian Government, *The Child Safe Standards - Early childhood services* (31 March 2023) <<https://www.vic.gov.au/early-childhood-services-child-safe-standards>>.

²³⁵ Ibid.

²³⁶ Australian Human Rights Commission, *A quick guide to Australian discrimination laws* (November 2014) <https://humanrights.gov.au/sites/default/files/GPGB_quick_guide_to_discrimination_laws_0.pdf>.

²³⁷ New South Wales Government, Education, *The NSW Child Safe Standards* (28 February 2023) <<https://education.nsw.gov.au/early-childhood-education/working-in-early-childhood-education/child-safety/standards>>.

²³⁸ Australian Human Rights Commission, *A quick guide to Australian discrimination laws* (November 2014) <https://humanrights.gov.au/sites/default/files/GPGB_quick_guide_to_discrimination_laws_0.pdf>.

²³⁹ Government of Western Australia, Department of Education, *Equal Opportunity, Discrimination and Harassment Procedures - Section 3.2.1* (8 May 2018) <<https://www.education.wa.edu.au/web/policies/-/equal-opportunity-discrimination-and-harassment-procedures>>.

²⁴⁰ Ibid.

²⁴¹ Ibid.

**State /
territory**

Relevant legislative and regulatory frameworks

Education and Care Services National Law (WA) Act 2012²⁴²

- The Education and Care Services National Law sets out the legal framework for ECEC services in Australia, including in WA.
- The law requires ECEC services to provide a safe and inclusive environment for children, to promote positive relationships between children and their families, and to support children's learning and development.²⁴³

Queensland

Anti-Discrimination Act 1991

- Similar to the Anti-Discrimination Act in NSW, and the Equal Opportunity Act in WA, the Anti-Discrimination Act 1991 in QLD is the law that prohibits discrimination on the grounds of various protected attributes, such as age, gender, disability and race in various areas of provision of goods and services and public life, including education.²⁴⁴
- The Act requires that ECEC services in Queensland provide an inclusive and welcoming environment for all children and families and take steps to ensure that no child or family is excluded or treated unfairly because of their characteristics or identity.²⁴⁵
- ECEC services must provide equal opportunities for all children and families to participate in their programs and activities and provide reasonable accommodations and support for children with disabilities or additional needs to ensure they can fully participate in the Program.²⁴⁶

Human Rights Act 2019

- The Human Rights Act 2019 is a Queensland law that protects and promotes human rights and freedoms, including the right to education and the right to equality and non-discrimination.²⁴⁷
- The Human Rights Act 2019 states that all children have a right to access high-quality education in an environment that is free from discrimination and respects their human dignity²⁴⁸
- ECEC services in Queensland are required to uphold the human rights of all children and families, and take steps to promote inclusion, diversity (respecting cultural identity and language rights), and equality in their programs and services.²⁴⁹

Queensland Kindergarten Learning Guideline (QKLG)

- The QKLG is a state-based guideline that outlines the learning outcomes that children should achieve by the end of their kindergarten year.²⁵⁰
- The QKLG requires that ECEC services provide a culturally responsive and inclusive curriculum that recognises and values diversity.²⁵¹

²⁴² This Act is the legislation enabling the National Quality Framework (NQF) in WA.

²⁴³ Western Australia Current Acts, *Education and Care Services National Law (WA) Act 2012 – Schedule* (n.d.) <http://classic.austlii.edu.au/au/legis/wa/consol_act/eacsnla2012368/sch1.html>.

²⁴⁴ Australian Human Rights Commission, *A quick guide to Australian discrimination laws* (November 2014) <https://humanrights.gov.au/sites/default/files/GPGB_quick_guide_to_discrimination_laws_0.pdf>.

²⁴⁵ The State of Queensland, Department of Education and Training, *Early Years Connect – Information Sheet 4* (2017) <<https://earlychildhood.qld.gov.au/earlyYears/Documents/info-sheet-4-anti-discrimination-act-1991-Qld.pdf>>.

²⁴⁶ Ibid.

²⁴⁷ Queensland Human Rights Commission, *Fact Sheet: Right to Education* (July 2019)

<https://www.qhrc.qld.gov.au/__data/assets/pdf_file/0006/19905/QHRC_factsheet_HRA_s36.pdf>.

²⁴⁸ Ibid.

²⁴⁹ Ibid.

²⁵⁰ Queensland Government, Queensland Curriculum & Assessment Authority, *Queensland kindergarten learning guideline (QKLG)*, (2023) <<https://www.qcaa.qld.edu.au/kindergarten/qklg>>.

²⁵¹ Ibid.

State / territory	Relevant legislative and regulatory frameworks
South Australia	<p>SA Equal Opportunity Act 1984</p> <ul style="list-style-type: none"> The Equal Opportunity Act 1984 (amended by the Statutes Amendment (Gender, Identity and Equity Act 2016) is a state law that prohibits discrimination based on disability, gender, race and other grounds.²⁵² These laws apply to the ECEC sector, and ECEC services are required to ensure that all children are treated fairly and with respect.²⁵³
Northern Territory	<p>Anti-Discrimination Act 1992</p> <ul style="list-style-type: none"> The Anti-Discrimination Act 1992 is a law in the Northern Territory of Australia that aims to promote equality and prevent discrimination in various areas of life including education and the provision of goods and services.²⁵⁴ In particular, the act supports inclusion by making it illegal to discriminate against people with disabilities.²⁵⁵
Australian Capital Territory	<p>Discrimination Act 1991</p> <ul style="list-style-type: none"> The Anti-Discrimination Act 1991 is legislation in the ACT that prohibits discrimination on the basis of several protected attributes, including disability, age and gender.²⁵⁶ In the context of early childhood education and care, the Anti-Discrimination Act 1991 (ACT) aims to ensure that reasonable adjustments are made to ensure people with disability and additional needs have access to same opportunities as others. This can also mean that ECEC services are required to provide inclusive environments that respect and value diversity and promote positive social interactions among all children.²⁵⁷ <p>ACT Human Rights Act 2004</p> <ul style="list-style-type: none"> The Human Rights Act 2004 is the legislation in the ACT that protects and promotes human rights, such as the right to education and non-discrimination.²⁵⁸ The Human Rights Act 2004 promotes inclusive practices that respect and uphold the human rights of all children and families. This means that ECEC services are required to ensure that their policies and practices align with the human rights principles, including non-discrimination, equal opportunity, and respect for diversity.²⁵⁹
Tasmania	<p>Anti-Discrimination Act 1998</p> <ul style="list-style-type: none"> In Tasmania, the legislation that prohibits discrimination is the Anti-Discrimination Act 1998.²⁶⁰

²⁵² Government of South Australia, Equal Opportunity SA, *Discrimination Laws* (2021) <<https://www.equalopportunity.sa.gov.au/discrimination/discrimination-laws>>.

²⁵³ Government of South Australia, Department of Education, *Supporting gender diverse, intersex and sexually diverse children and young people policy* (October 2022) <<https://www.education.sa.gov.au/policies/pdf/supporting-gender-diverse-intersex-sexually-diverse-children-young-people-policy.pdf>>.

²⁵⁴ Northern Territory Government, *Anti-Discrimination Act 1992* (20 December 2022) <<https://legislation.nt.gov.au/Legislation/ANTIDISCRIMINATION-ACT-1992>>.

²⁵⁵ Northern Territory Anti-Discrimination Commission, *Information for people living with a disability* (2023) <https://adc.nt.gov.au/__data/assets/pdf_file/0017/1010870/Pamphlet-Impairment.pdf>.

²⁵⁶ Australian Human Rights Commission, *A quick guide to Australian discrimination laws* (November 2014) <https://humanrights.gov.au/sites/default/files/GPGB_quick_guide_to_discrimination_laws_0.pdf>.

²⁵⁷ ACT Human Rights Commission, *Disability* (n.d.) <<https://hrc.act.gov.au/discrimination/disability-discrimination/>>

²⁵⁸ ACT Human Rights Commission, *Human Rights* <<https://hrc.act.gov.au/humanrights/>>.

²⁵⁹ Tamara Walsh and Kathryn Thomas, *Children with Special Needs and the Right to Education* (The University of Queensland, June 2015) <https://espace.library.uq.edu.au/view/UQ:398625/UQ398625_OA.pdf>.

²⁶⁰ Australian Human Rights Commission, *A quick guide to Australian discrimination laws* (November 2014) <https://humanrights.gov.au/sites/default/files/GPGB_quick_guide_to_discrimination_laws_0.pdf>.

State / territory	Relevant legislative and regulatory frameworks
	<ul style="list-style-type: none"> • This Act protects individuals from discrimination based on a range of attributes, including disability, age and gender. • The Act also recognises the right to equality and the need to promote equal opportunity and diversity in all areas of public life, which includes early childhood education and care.

C.2.3. State and territory programs for funding inclusion in ECEC

As noted earlier in this report, many state and territory governments have committed funding to support increased access and inclusion of children with additional needs in early years settings. Table C.2 outlines the various policies, programs and funding available across states and territories to support inclusion in ECEC. In general terms, inclusion funding can be used to:

- increase availability of support for children to participate fully in ECEC services
- improve quality of support through further investment in professional learning and development opportunities for staff, an increase of specialist support services or enhancement of technology and resources to support children with disability and additional needs
- tailor support to meet individual needs in the form of personalised support plans and investing in assistive technology to support children with disability and additional needs
- demonstrate impact of additional resources on the lives of children with disability and additional needs and their families and advocate for continued investment in the ISP for sustained funding.

Table C.2: State/territory inclusion funding programs in ECEC

State / territory	Funding program
Victoria	<p>Building Blocks Grants for Inclusion</p> <ul style="list-style-type: none"> • The Building Blocks Grants for Inclusion is a funding program in Victoria that aims to support the inclusion of children with disabilities and additional needs in ECEC²⁶¹ • The grant is administered by the Victorian Department of Education and Training²⁶² • The Program has three funding streams, providing funding for ECEC services to implement strategies and programs to provide high-quality, inclusive environments that meet the needs of all children: (1) Inclusive Practice Grants, (2) Professional Development Grants and, (3) Innovation Grants.²⁶³
Victoria	<p>Kindergarten Inclusion Support (KIS)</p> <ul style="list-style-type: none"> • The KIS program in Victoria is a support service for children with disabilities and additional needs in kindergarten.²⁶⁴ • The program provides funding, resources, and assistance to kindergarten services to support the inclusion of children with diverse abilities and backgrounds in their programs.²⁶⁵

²⁶¹ Victorian Government, Victorian School Building Authority, *Building Blocks Grants – Inclusion* (29 March 2023) <<https://www.schoolbuildings.vic.gov.au/building-blocks-grants-inclusion>>.

²⁶² Ibid.

²⁶³ Ibid.

²⁶⁴ Victoria Government, *Kindergarten Inclusion Support* (05 December 2022) <<https://www.vic.gov.au/kindergarten-inclusion-children-disabilities>>.

²⁶⁵ Ibid.

State / territory	Funding program
	<ul style="list-style-type: none"> The KIS program provides (1) inclusion support funding for kindergartens to hire additional staff or purchase equipment to support children with disabilities and additional needs, (2) professional development and training for kindergarten educators and staff to improve their knowledge and skills in inclusive practice, (3) access to specialist support services and (4) advice and guidance for kindergarten services on how to create a welcoming and inclusive environment for all children and families.²⁶⁶
New South Wales	<p>Disability and Inclusion program</p> <ul style="list-style-type: none"> The Disability and Inclusion Program in NSW aims to promote the inclusion of people with disabilities and additional needs in all aspects of community life, including ECEC services.²⁶⁷ The program is administered by the NSW Department of Communities and Justice.²⁶⁸ The program provides funding and support for ECEC services for (1) infrastructure improvements, (2) professional training and development for ECEC educators and staff and (3) development of resources and tools to support engagement with families and communities.²⁶⁹
Western Australia	<p>As of the time of publication, the research team did not identify specific funding programs for this jurisdiction.</p>
Queensland	<p>Kindy UPLIFT program</p> <ul style="list-style-type: none"> The Kindy Uplift Program is a Queensland Government initiative that aims to improve the quality of ECEC services in the state, particularly in disadvantaged areas and has five key areas of focus, namely: (1) social and emotional capability, (2) physicality, (3) thinking and responding, (4) oral language and communication, (5) access and inclusion.²⁷⁰ It provides funding to eligible services to support the inclusion of children with disabilities and additional needs through different activities, including implementing inclusive initiatives and programs, engaging community partners to boost inclusive practice and build educator capability.²⁷¹
Queensland	<p>Kindergarten Inclusion Support Scheme (KISS)</p> <ul style="list-style-type: none"> The KISS is a funding program in Queensland that supports the inclusion of children with disabilities and additional needs in kindergarten programs.²⁷² The program is administered by the kindergarten services' nominated Central Governing Bodies (CGBs) who are supported by the Queensland Department of Education.²⁷³ The KISS provides funding to support kindergarten services to provide inclusive strategies and educational adjustments.²⁷⁴

²⁶⁶ Ibid.

²⁶⁷ New South Wales Government, Grants and funded program, *Disability and inclusion program* (2 December 2022) <<https://education.nsw.gov.au/early-childhood-education/operating-an-early-childhood-education-service/grants-and-funded-programs/disability-and-inclusion-program>>.

²⁶⁸ Ibid.

²⁶⁹ Ibid.

²⁷⁰ Queensland Government, Early Childhood Education and Care, *Kindy UPLIFT* (03 February 2023) <<https://earlychildhood.qld.gov.au/funding-and-support/grants-tenders-and-funding/kindy-uplift-pilot>>.

²⁷¹ Ibid.

²⁷² Queensland Government, Early Childhood Education and Care, *Kindergarten Inclusion Support Scheme* (20 September 2022) <<https://earlychildhood.qld.gov.au/funding-and-support/disability-and-inclusion-support-programs/kindergarten-inclusion-support-scheme>>.

²⁷³ Ibid.

²⁷⁴ Queensland Government, Early Childhood Education and Care, *Disability and inclusion support programs – Queensland Government services* (02 July 2021) <<https://earlychildhood.qld.gov.au/funding-and-support/disability-and-inclusion-support-programs>>.

State / territory	Funding program
Queensland	<p>Early Years Connect</p> <ul style="list-style-type: none"> The Early Years Connect program is a support service for families and caregivers of young children with disabilities and complex additional needs in Queensland.²⁷⁵ It is funded by the Queensland Government's Department of Education and is delivered by a network of community-based organisations across the state.²⁷⁶ The program aims to help families access information, resources and services that can support their child's development and wellbeing in the crucial early years of life, from 0-8 years old.²⁷⁷
South Australia	<p>Inclusive Education Support program (IESP)</p> <ul style="list-style-type: none"> The IESP is a funding program in South Australia that provides additional support to students and children with disabilities who attend government schools or preschools.²⁷⁸ The program is administered by the South Australian Department for Education.²⁷⁹ The program aims to provide individualised support to enable students and children with disabilities to participate fully in all aspects of school and preschool life, including curriculum, extracurricular activities, and social interactions with peers.²⁸⁰
Northern Territory	<p>Inclusive Education Support Grant (IESG)</p> <ul style="list-style-type: none"> The IESG in the NT is a funding program that provides support to NT ECEC services and schools to meet the diverse learning needs of students with disabilities and additional needs.²⁸¹ The program is administered by the NT Department of Education and provides funding to ECEC services, schools, not-for-profit and non-government organisations.²⁸² The IESG provides funding to support a range of activities including (1) developing and implementing individualised learning plans for children and students with disabilities and additional needs, (2) hiring additional staff to support students with disabilities and additional needs, (3) providing professional development and training for teachers and staff to improve their knowledge and skills in inclusive education, (4) purchasing specialised equipment or resources to support students with disabilities and additional needs and (5) modifying physical environments, such as classrooms or playgrounds, to make them more accessible and inclusive.²⁸³

²⁷⁵ Queensland Government, Early Childhood Education and Care, *Early Years Connect* (17 February 2023) <<https://earlychildhood.qld.gov.au/early-years/activities-and-resources/early-years-connect>>.

²⁷⁶ Queensland Government, Early Childhood Education and Care, *Early Years Connect* (17 February 2023) <<https://earlychildhood.qld.gov.au/early-years/activities-and-resources/early-years-connect>>.

²⁷⁷ Queensland Government, Early Childhood Education and Care, *Early Years Connect* (17 February 2023) <<https://earlychildhood.qld.gov.au/early-years/activities-and-resources/early-years-connect>>.

²⁷⁸ South Australia Department of Education, *Inclusive Education Support program (IESP) – disability funding for students and children* (14 October 2022) <<https://www.education.sa.gov.au/parents-and-families/health-and-disability-support/health-and-disability-programs/inclusive-education-support-program-iesp-disability-funding-students-and-children>>.

²⁷⁹ Ibid.

²⁸⁰ Ibid.

²⁸¹ Northern Territory Government, *Inclusive Education Support Grant* (13 January 2023), <<https://nt.gov.au/learning/special-education/inclusive-education-support-grant>>.

²⁸² Northern Territory Government, *Inclusive Education Support Grant – 2023 recipients* (13 January 2023), <<https://nt.gov.au/learning/special-education/inclusive-education-support-grant/inclusive-education-support-grant-2023-recipients>>.

²⁸³ Northern Territory Government, *Inclusive Education Support Grant* (13 January 2023), <<https://nt.gov.au/learning/special-education/inclusive-education-support-grant>>.

State / territory	Funding program
Australian Capital Territory	As of the time of publication, the research team did not identify specific funding programs for this jurisdiction.
Tasmania	As of the time of publication, the research team did not identify specific funding programs for this jurisdiction.

Outside of the disability and inclusion funding delivered by State Governments, a number of broader early years intervention and inclusion programs are delivered through support from State Governments, philanthropic sources and local government agencies. These include:

- **Integrated early childhood and family supports**

- Inclusion in the **Mimik-ga Centre** in Darwin is focused on early intervention.²⁸⁴ It is an integrated centre that provides early intervention services to children from birth to 12 and their families. The objectives not only focus on working with families to support children to be ready to learn at school, but also on creating an integrated space for child and family services, and co-locating support for better access.
- **The Challis School-Community Model**, implemented at the Challis Early Childhood Education Centre in WA, delivers integrated and multidisciplinary support that serves a community with embedded disadvantage. Services include home visits from Family support workers, as well as integrated access to Child Health Nurses, Allied Health Services and regular visits of an Immunisation Clinic through funding from the WA Department of Health.²⁸⁵
- **Aboriginal Families as Teachers**²⁸⁶ in NSW aims to build capacity and support in the home environment for children aged 0-5 years. It is being piloted in LGAs and there are six objectives that cover fostering and nurturing the home learning environment, promoting literacy and numeracy, building families' confidence, successful transitions into school, promoting the benefit of ECEC and wider development.

- **Place-based initiatives focused on supporting children and their families**

- The **Logan Together network** is a significant place based and community initiative committed to 'the wellbeing of every child in Logan.'²⁸⁷ There is a strong focus on co-design principles, collaboration and community. The governance framework includes a central role for Gningimindala Karulbo, who are the First Nations peoples providing governance over the initiative; a Leadership Table that is an integrated community and cross-sector governance group; and an action group that focuses on community voice ensuring that it is part of decisions in policy and practice. Inclusion is a priority and there is a strong culture of learning and evaluation

²⁸⁴ Northern Territory Government, *Framework for Inclusion* (2019), <https://education.nt.gov.au/__data/assets/pdf_file/0010/662779/Framework-for-inclusion-brochure.pdf>.

²⁸⁵ Telethon Kids Institute, *A pathway from Early Childhood Disadvantage for Australian Children (report commissioned by Minderoo Foundation)*, <https://cdn.minderoo.org/content/uploads/2019/02/06102912/A-Pathway-from-Early-Childhood-Disadvantage-for-Australian-Children-Challis-Case-Study-high-res-V4-20170119_Digital_FNL-compressed-p.pdf>.

²⁸⁶ New South Wales Government, *Aboriginal Families as Teachers* (26 August 2022) <<https://education.nsw.gov.au/early-childhood-education/operating-an-early-childhood-education-service/grants-and-funded-programs/aboriginal-families-as-teachers>>.

²⁸⁷ Australian Government, Department of Social Services, *Stronger Places, Stronger Children* (17 May 2023) <<https://www.dss.gov.au/families-and-children-programs-services/stronger-places-stronger-people>>.

- **Hands Up Mallee**²⁸⁸ is a place-based initiative in Victoria and is a social impact initiative focused on children, young people and their families. Community voices are prioritised, with the aim of bringing together projects to maximise impact. The rationale of Hands Up Mallee stems from responding to entrenched issues of poverty and disadvantage in a new way that fosters community and partnership, with inclusion at its core. Leveraging partnerships is also considered to be essential, with shared assets including a common agenda, a shared measurement framework and a commitment to share data.
- **Thrive by Five**,²⁸⁹ an initiative by the Minderoo Foundation, it is a place-based initiative where the emphasis is on translating research into “effective policy, practice and service delivery.” It is a 10-year collaboration with the WA government.

Beyond Australia, Appendix C outlines some examples of **international approaches** to building inclusive ECEC services – noting that the ECEC sector is organised differently across international jurisdictions.

C.3. Enablers and barriers to inclusion

Although policy, legislative, regulatory and funding frameworks provide an important foundation for inclusive education, and inclusion in ECEC, the literature reveals a range of other enablers – and barriers – to inclusion. Mapping out all enablers and barriers provides important contextual understanding for the review findings and opportunities, as outlined in later chapters of this report.

There are several enablers and barriers to inclusion that can affect individuals’ access to and participation in daily activities such as education and care, work and sporting and leisure activities. Some of the most common enablers and barriers to an inclusive society are described below.

Enablers to inclusion include:²⁹⁰

- 1 **Diversity and inclusion policies:** Organisations that have policies in place that promote diversity, equity and inclusion can help to create a more inclusive environment.
- 2 **Education, training, and professional learning and development:** Education programs can help to raise awareness about diversity, equity and inclusion and provide individuals with the skills they need to create inclusive environments. Individuals with additional needs are at the risk of exclusion if those with whom they learn, play and work with, and interact with in society do not possess the necessary have knowledge and skills required to create an inclusive environment.
- 3 **Supportive leadership:** Leaders in organisations, government, and in society in general who actively support, promote, and celebrate diversity, equity and inclusion can help to create a culture of inclusion. Research indicates that inclusion is most successful when supported and modelled by the leadership team in an organisation.
- 4 **Inclusive language:** The use of inclusive language can help to create an environment that is welcoming to everyone, regardless of their background or identity. For example, when referring to disability, some individuals and organisations prefer the use of person-first language whilst others prefer identity-first language. It is important to understand the difference and to be aware of an individuals’ preference.

Barriers to inclusion in society in general, on the other hand, may include some of the following:

²⁸⁸ Hands up Mallee, *Hands is Hands Up Mallee?* (n.d.) <<https://www.handsupmallee.com/>>.

²⁸⁹ Minderoo Foundation, *Challis Primary School Early Childhood Education Centre* (2023) <<https://www.minderoo.org/challis-parenting-and-early-learning-centre/>>.



²⁹⁰ Erin Leif et al, *Challenges for delivering inclusive education in Australia* (Australian Council for Educational Research, 2023) <https://www.teachermagazine.com/au_en/articles/challenges-for-delivering-inclusive-education-in-australia>.




- 1 **Attitudes:** Organisational culture can either support or hinder inclusion. A culture that values diversity, equity and inclusion can help to create an inclusive environment, while a culture that reinforces stereotypes or discriminates against certain groups can create barriers to inclusion. Negative attitudes or beliefs about certain groups of people can create barriers to inclusion. For example, stereotypes about individuals with disability can lead to exclusion and discrimination. Unconscious bias is a type of bias that occurs when people have automatic, implicit attitudes or stereotypes about certain groups of people. This can lead to unintentional exclusion and discrimination
- 2 **Lack of diversity:** A lack of diversity in a group or organisation (such as an education setting) can make it difficult to create an inclusive environment. When people with diverse backgrounds, experiences, and perspectives are not represented, it can be hard to ensure that everyone's needs and perspectives are being considered. This is particularly relevant when considering individuals with disability
- 3 **Communication barriers:** Barriers to communication such as language impairment or physical disability can make it difficult for some individuals to fully participate in group activities or conversations. Increasingly, this barrier is being addressed through accessibility features such as captioning, Easy Read versions of text, 'alt text' and title for images. Advancements in technology such as text-to-speech software are also helpful in eliminating or reducing communication barriers
- 4 **Access:** Physical barriers are structural obstacles in the environment that prevent or block mobility or access. Environments need to be accessible to individuals with disability (e.g., steps and curbs block access for a person with a mobility impairment).

Similar to general societal enablers and barriers to inclusion identified above, ECEC settings also experience factors that facilitate inclusive practice and face barriers to successful inclusion for children with disability and additional needs.

An overview of key enablers to inclusion in ECEC, as indicated by the literature, is provided in Table C.3 below.

Table C.3: Enablers to inclusion in ECEC

Enablers		
	Inclusive legislation, policies and practices	Supportive legislation is a crucial factor impacting the success of inclusion. While the DSE does not currently apply to ECEC settings in Australia, the Standards provide a framework for how early childhood settings can make reasonable adjustments to include children with disability. Further, policies and practices that support and promote inclusion in ECEC settings lead to more successful inclusion programs. These include providing adequate resources and training for educators, creating inclusive environments, developing educational programs that align with learning frameworks, and valuing diversity and multiculturalism.
	Access to resources	ECEC settings with access to adequate resources, including staff, materials, equipment, and technology, are more likely to be able to accommodate children with disabilities and additional needs. Importantly, increasing resourcing does not necessarily lead to improved inclusive practice. It is also necessary to understand how to make best use of resourcing already available.

Enablers		
	<p>Education, training, professional learning and development</p>	<p>There is robust evidence indicating that ECEC educators who are well-trained and have access to ongoing professional learning and development are better equipped to implement inclusive practices in ECEC settings²⁹¹. In addition, ongoing professional learning and development can lead to higher quality ECEC services and outcomes. Professional learning and development can be accessed through workshops, however, high-quality subject training, field-based consultation training or supervised practices may be more effective. Ongoing professional learning and development should not only be available, but it should be a requirement to stay and grow in the profession. Furthermore, professional learning and development should be tailored to educators' needs. In-service specialised training on specific topics, such as how to create a more inclusive ECEC environment, is also beneficial. The competencies of managerial staff also influence the inclusive practices of an ECEC service, therefore training and professional learning and development that specifically targets leaders in ECEC helps to build the capacity of all ECEC educators in the service.²⁹² A significant challenge associated with training however is the release time often required to enable staff to access training and the pressure this places on centre staff, particular when needing to find replacement staff.</p>
	<p>Positive attitudes and beliefs</p>	<p>ECEC educators and staff who hold positive attitudes and beliefs about diversity and inclusion are more likely to create inclusive environments.</p>
	<p>Collaborative relationships</p>	<p>Building positive partnerships between ECEC settings and families, community organisations, specialist service providers (e.g., NDIS providers) helps to facilitate the inclusion of children with disability and additional support needs.</p>

Barriers to inclusion in Australian ECEC settings specifically relate to inconsistent definitions of inclusive education, uncoordinated resource allocation and service delivery in each state and territory, lack of professional standards outlining the requisite skills and knowledge of educators supporting children with additional needs in ECEC settings, a lack of suitably qualified personnel and workforce shortages.²⁹³

More general barriers as informed through a review of literature^{294, 295} and Deloitte Access Economics' experience in the sector, are outlined in Table C.4.

²⁹¹ Jane Warren et al, 'Small Steps: The Inclusion of Young Children with Disabilities in Australia, Greece, and Malaysia' (2021) 45(2) *Australasian Journal of Special and Inclusive Education* 164.



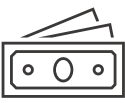
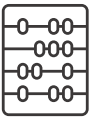


²⁹² Organisation for Economic Co-operation and Development (OECD), *Encouraging Quality in Early Childhood Education and Care (ECEC) Research Brief: Qualification, Education and Professional Development Matter* (n.d.) <<https://www.oecd.org/education/school/49322232.pdf>>.

²⁹³ Jane Warren et al, 'Small Steps: The Inclusion of Young Children with Disabilities in Australia, Greece, and Malaysia' (2021) 45(2) *Australasian Journal of Special and Inclusive Education* 164.

²⁹⁴ Children and Young People with Disability Australia (CYDA), *Early Childhood*, <<https://www.cyda.org.au/issues/earlychildhood>>.

²⁹⁵ Derrick Armstrong et al, 'Inclusion: by choice or by chance?' (2011) 15(1) *International Journal of Inclusive Education*, 29.

Table C.4: Barriers to inclusion in ECEC

Barriers		
	<p>Administrative burdens</p>	<p>In instances where there is a lack of cohesion and integration between ECEC, the NDIS and public health services or processes, major administrative burdens can occur for families and providers who are required to navigate several systems concurrently. In the context of the ISP, this might take the form of families needing to provide services with information regarding their child’s diagnosis and information in their NDIS support plan, even though this information is also collected by government through the NDIS.</p>
	<p>Data limitations</p>	<p>An inconsistent and voluntary approach to collecting information about children’s disability, CALD and/or other additional needs has driven challenges in identifying these cohorts, their needs and the level of access these groups have to ECEC services.</p>
	<p>Funding criteria</p>	<p>Where funding or interventions to support children with disability or other additional needs are defined with respect to a diagnosis, this can have unintended consequences at the service level, including promoting a deficit view of children’s capabilities, focusing on diagnosis rather than the needs of the child, and driving the ‘conditionality’ of support for children on securing funding.</p>
	<p>Resources</p>	<p>Access to appropriate resources facilitates inclusive practice, however resourcing alone is not the key determinant of how successful a service is in providing an inclusive learning environment. Limited resources such as inadequate staffing, materials and equipment can limit the ability of ECEC settings to accommodate the needs of children with disability and additional needs. Specific resources where available also tend to be siloed and directed to segregated settings and may not be accommodating to intersectional cohorts.</p>
	<p>Negative attitudes and beliefs</p>	<p>The attitudes and beliefs of ECEC educators and communities towards disability or difference have the potential to hinder efforts to create inclusive environments, particularly if they are based on misconceptions or due to lack of education. This can be addressed through appropriate training and professional learning and development to promote and celebrate a fully inclusive environment.</p>
	<p>Equity and access</p>	<p>Some families may face barriers to accessing ECEC services due to restrictive enrolment processes, akin to ‘gatekeeping.’²⁹⁶ Access to appropriate ECEC settings may also be impacted in rural and remote areas, where services may be sparse. There are also child</p>

²⁹⁶ Gatekeeping occurs when a limitation is placed on the access of a child to general education environments, or participation in the broader activities within an education setting. It may include refusal or discouragement of enrolment, offers of limited or part-time enrolment, encouragement to enrol a child to a different setting, or preventing a child from participating in activities (e.g., excursions). Gatekeeping is illegal under the DDA 1992

Barriers

care deserts in metropolitan areas across Australia. This inequity in child care availability depending on where a child lives has been likened to 'deserts' and 'oases.'²⁹⁷ The physical environment of services can also pose access challenges if not suitable for children with physical access needs. Likewise, specialised equipment and technology may be necessary to facilitate inclusion, and without these, a child may be excluded.



Capacity and capability of support staff

Australian ECEC inclusion programs mainly focus on the employment of additional relatively unskilled paraprofessional staff with minimal qualifications to care for children with disability.²⁹⁸ While close adult supervision can be useful, research relating to inclusion in school settings has found that an overreliance on paraprofessionals can have detrimental impacts on student learning and development.²⁹⁹ This is not necessarily due to factors associated with the paraprofessional, but more so due to a lack of understanding and training of other educators in how to work effectively with paraprofessional staff.³⁰⁰ Further, ECEC services are not financially incentivised to connect to other disability supports (e.g., support workers, physiotherapists, occupational therapists), which may be a barrier to ensuring the most holistic approach to child development.



Skills shortages

Children with disability and additional needs may require individualised support, but this support may not be available due to a lack of resources or expertise within the ECEC and disability support sectors. Workforce shortages across the sector may impact on the ability of ECEC services to attract and retain staff with the knowledge and skills required to support children with complex needs. The growth in qualified disability support workforce and funding is insufficient to meet growing demand and to address multiple and intersecting layers of disadvantage.



Reliance on informal supports

The reliance on families to advocate for inclusion is significant. They are faced with mounting pressure to seek 'early intervention' whilst simultaneously bearing responsibility for building an inclusive community around child and family.

but remains a persistent issue. <<https://lens.monash.edu/@education/2019/11/06/1378308/exclusive-education-parents-can-equip-themselves-to-combat-gatekeeping>>.

²⁹⁷ Victoria University, *Childcare deserts and oases: How accessible is childcare in Australia?* (22 March 2022) <<https://www.vu.edu.au/mitchell-institute/early-learning/childcare-deserts-oases-how-accessible-is-childcare-in-australia>>.

²⁹⁸ Jane Warren et al, 'Small Steps: The Inclusion of Young Children with Disabilities in Australia, Greece, and Malaysia' (2021) 45(2) *Australasian Journal of Special and Inclusive Education* 164.

²⁹⁹ Michael Giangreco, 'Maslow's Hammer: Teacher Assistant Research and Inclusive Practices at a Crossroads' (2021) 36(2) *European Journal of Special Needs Education* 278.

³⁰⁰ Claire Jackson et al, 'Teachers' Perceptions of Their Work with Teacher Assistants: A Systematic Literature Review' (2021) 46(11) *Australian Journal of Teacher Education* 69.

Barriers



A lack of intersectionality

Formal and informal social supports may not be designed to support children (or their families) that are at the intersection between disability and other areas of difference – such as a CALD or refugee background. This barrier risks exacerbating disadvantage.

Appendix D: International approaches to inclusion in ECEC

Historically, definitions of inclusion in many countries focused on a child's readiness to assimilate into a general education setting. However, over time communities have shifted away from this way of thinking and have moved towards incorporating curricular and pedagogic differentiation to support children's diverse needs. This shift has been accompanied by changing values and ideas internationally about diversity and difference, ability and disability, and social inclusion and exclusion.³⁰¹

European research indicates that the main challenges to successful inclusion in ECEC settings include a lack of a comprehensive, unified, and clear strategic approaches and unitary governance in the ECEC field combined with funding inadequacies and staff shortages.³⁰²

The ECEC sector is organised differently in different countries around the world. Educational qualifications of staff may vary considerably, and the requirements are not uniform across different countries nor even across different states within countries. In many countries, a university degree in ECEC is not required and there are jurisdictions where only minimal training is required to work with children in early childhood settings. Below are some examples of international approaches to building inclusive ECEC services.

D.1. New Zealand

Te Whāriki is the national early childhood curriculum in New Zealand and emphasises a holistic approach to children's learning and development and biculturalism, including a focus on cultural identity, social competence, and physical well-being. The curriculum includes specific guidelines for supporting children with diverse learning needs and abilities, including children with disability and children from culturally and linguistically diverse backgrounds. It encourages a partnership approach between families and educators and promotes a focus on children's strengths and interests.³⁰³

A criticism of this approach is that funding in ECEC for children with additional needs is often directed towards employing education support workers. The role is not clearly defined or well-supported, and these individuals are often untrained, employed on a casual basis, and are on a low wage. They are employed by the Early Intervention Agency rather than the ECEC service which contributes to confusion regarding who holds the responsibility for their supervision, mentoring, and guidance, as well as what their work should entail. This can lead to education support workers working with children in ways that isolate them from their peers, their educators, and from the learning program.³⁰⁴ Literature relating to support staff in schools indicates similar inadvertent

³⁰¹ Michelle Turner and Amanda Morgan, 'Opening eyes onto inclusion and diversity in early childhood education' in Susan Carter (ed), *Opening Eyes onto Inclusion and Diversity* (University of Southern Queensland, 2019) 50.

³⁰² Erasmus+ Programme of the European Union, *Diversity Inclusion in ECEC: eBook of Inspiring Practices* (2020) <<https://diversity-plus.eu/wp-content/uploads/2021/08/EBOOK-OF-INSPIRING-PRACTICES.pdf>>.

³⁰³ Ministry of Education, New Zealand, *Te Whāriki: Early childhood curriculum* (2017) <<https://www.education.govt.nz/assets/Documents/Early-Childhood/ELS-Te-Whariki-Early-Childhood-Curriculum-ENG-Web.pdf>>.

³⁰⁴ Bernadette Macartney, *Early childhood education and barriers to inclusivity: Working toward a fairer system. A background paper prepared for Child Poverty Action Group (CPAG)* (Child Poverty Action Group, December 2016) <<https://ieag.org.nz/assets/Uploads/Early-Childhood-education-barriers-to-inclusivity-.pdf#:~:text=Ensuring%20the%20rights%20and%20access%20of%20every%20child,relationship%20between%20targeted%20funding%20for%20attendance%20and%20exclusion>>.

consequences where teachers may unintentionally abdicate their responsibility for children with disability to the education support worker.

D.2. United States

HighScope is an educational research foundation in the United States that focuses on active learning and the importance of play in children's development. Curriculum is designed to be inclusive, with a focus on supporting children with diverse backgrounds and abilities to achieve their full potential. The Program aims to create strong instructional leaders across the country and around the world by helping programs to build capacity for sustained positive outcomes and ensuring every teacher is supported and every child can thrive.³⁰⁵

Another initiative from the United States is from the Division for Early Childhood (DEC), who have developed a systematic approach to identifying effective and research-informed practices that support the active participation of children in ECEC with a focus on individualised development and learning needs. The DEC's Recommended Practices for early childhood has synthesised research on instructional strategies and supports that nurture children's inclusive experiences. These serve as a road map for other countries to identify those practices that match their population characteristics and needs³⁰⁶.

D.3. Italy

The Reggio Emilia Approach is an internationally recognised early education philosophy that originated in Italy. Like the goals of inclusive education, the primary goals of Reggio education settings are to ensure that every child feels a sense of belonging within the education community and to strengthen each child's sense of identity as an individual. The approach emphasises child-led learning and the importance of the environment in children's learning and development. It values the role of families and teachers as partners in the learning process and encourages a focus on the whole child, including their social-emotional development.³⁰⁷ Four core ingredients of the Reggio approach facilitate successful inclusion, these being encouraging collaborative relationships, constructing effective environments, developing project-based curriculums, and documenting learning in multiple ways.³⁰⁸

D.4. Sweden

In Sweden, families have the right to ECEC, and preschool attendance (age 1–5 years) is high. It is estimated that 84% of children attend preschool on a daily basis. The provision is affordable for families due to it being publicly subsidised.³⁰⁹ Children with disability and with additional needs are defined as those 'in need of special support' in the School Act and Swedish policy. However, children are not required to have a formal diagnosis of disability in order to be entitled to support in the inclusive educational setting.³¹⁰

D.5. Finland

Finland's policies and legislation aim to ensure all children have access to high-quality ECEC, regardless of their abilities or background. The Finnish National Agency for Education (EDUFI) is responsible for developing and implementing policies related to ECEC, including those related to inclusion. The agency provides guidance and support to ECEC providers to ensure that children with

³⁰⁵ HighScope Educational Research Foundation, *Our Practice* (2023) <<https://highscope.org/our-practice/>>.

³⁰⁶ Division for Early Childhood (DEC), *DEC recommended practices* (2014) <<http://www.dec-sp.org/recommendedpractices>>.

³⁰⁷ Reggio Emilia Approach, *Reggio Emilia Approach* (2022) <<https://www.reggiochildren.it/en/reggio-emilia-approach/>>.

³⁰⁸ Association for Supervision and Curriculum Development (ACSD), *How Reggio Emilia Encourages Inclusion* (September 1, 2000) <<https://www.ascd.org/el/articles/how-reggio-emilia-encourages-inclusion>>.

³⁰⁹ Hanna Ginner Hau et al, 'A preschool for all children? – Swedish preschool teachers' perspective on inclusion' (2022) 26(10) *International Journal of Inclusive Education* 973.

³¹⁰ Eva Siljehag and Mara Westling Allodi, 'Introducing a program supporting social interactions and play in inclusive preschools in Sweden: reflections on a stepwise collaborative implementation process' (2023) 31(1) *European Early Childhood Education Research Journal* 124.

disabilities are included in mainstream education and care settings. *The Act on Early Childhood Education and Care* requires all municipalities in Finland to provide early childhood education and care services to children between the ages of one and six. The law also requires that services are inclusive and meet the individual needs of children, including those with disability. Finland also offers a range of services to support the inclusion of children with disabilities in ECEC, including special education and support services, which are provided by trained professionals to support the learning and development of children with disability. Financial support is also available to families with children with disability to ensure they have access to the ECEC services they need.

Finland's education system provides three tiers of support: general, intensified and special support.³¹¹ In 2016, the European Agency for Special and Inclusive Education conducted a project to study best practices of inclusion in ECEC. They found many strengths in the Finnish education system, such as:

- individual planning
- the education and care model
- how support does not determine placement
- qualifications of staff members
- a strong emphasis on play.

In Finland, as well in other Nordic countries such as Sweden, there has been a shift away from a diagnoses-based, categorical approach to inclusive practice in ECEC settings and nowadays, more individualised inclusive practices are favoured.³¹²

D.6. Ireland

The Irish Access and Inclusion Model (AIM) is designed to ensure that children with disability can access and fully participate in ECEC services. It provides a range of supports, including specialised equipment and resources, additional staff, and training for staff to work effectively with children with disability. The National Council for Special Education (NCSE) also provides guidance and resources to support the inclusion of children with disability in ECEC settings which includes a range of information on best practices for supporting children with different types of disability, as well as guidance on adapting the physical environment to meet their needs. The Irish government also provides funding for the development of inclusive ECEC services. The funding is designed to support the creation of services that are accessible and inclusive for children with disability, including the provision of specialised equipment and training for staff.³¹³

D.7. United Kingdom

Inclusion support in the UK tends to be delivered by Local Authorities with funding from national government. Support for providers includes the early years pupil premium where parents / carers apply for a small top up payment for their provider.³¹⁴ The child needs to be enrolled in 3- or 4-year-old kindergarten and eligibility criteria are based largely on receipt of particular benefits. Providers are also able to apply for the disability access fund which is a one-off payment of up to £823 to support children aged 3 and 4 years of age.³¹⁵ Eligibility is based on enrolment in kindergarten and receipt of a particular disability benefit.

There is also tiered educational support for children available following an assessment of their needs by their Local Authority. This assessment is required to access additional support and

³¹¹ Hei Schools, *Finland's Approach to Special Needs & Inclusion* (17 June 2022)

<<https://www.heischools.com/blog/finlands-approach-to-special-needs-inclusion>>.

³¹² Nislin et al, 'Working with children with special needs in Finnish kindergartens: Professionals and/or specialists?' (2015) 5(3) *South African Journal of Childhood Education*

<http://www.scielo.org.za/scielo.php?script=sci_arttext&pid=S2223-76822015000300011>.

³¹³ Government of Ireland Access Inclusion Model, *Aim Supports* (2023) <<https://aim.gov.ie/aim-supports/>>.

³¹⁴ United Kingdom Government, *Get extra funding for your early years provider* (n.d.)

<<https://www.gov.uk/get-extra-early-years-funding>>.

³¹⁵ Ibid.

potential funding.³¹⁶ Support is then determined based on assessed level of need and can include a personal budget to tailor support to children's needs. Local authorities are also required to share a 'local offer' with information and advice available for residents.

Even though there is support available, families often struggle to access it. A recent survey on childcare provision and costs showed that only 18% of Local Authorities have enough provision for children with disabilities.³¹⁷

A number of programs and projects aim to fill in this gap in support. A Better Start³¹⁸ is an example of placed based integrated provision. It is a 10-year program funded by the Community Fund in 5 areas across England focused on giving children the best start in life. There is a great emphasis on changing the way that services are commissioned and delivered and on co-design and voice with families and parents. The areas have all been chosen because of elevated levels of disadvantage. The priority areas are diet and nutrition, social and emotional development, and speech, language and communication. There is an evidence library available.³¹⁹

And there are also specific projects that focus on supporting children who have additional needs and their families such as implementing evidence based early intervention approaches and appointing a keyworker to help navigate children and families' support needs are implemented.

Box D.1: Assessing the quality of ECEC provision

In the Netherlands, the Dutch Consortium for Child Care (NCKO) conducts large-scale studies using scales to measure the processes and structural quality of day care centres and playgroups. This is complemented by observational rating scales developed by the NCKO to assess the quality of interactions. NCKO has also developed a 'quality monitor', which is an instrument that childcare centres can use to self-assess their quality. The results provide an overview of the weaker and stronger areas of a provision, with the goal of enhancing the level of quality. The quality monitor uses checklists and rating scores to assess the interactions of all pedagogical staff and the quality of the care environment, as well as structural aspects of the provision. Training modules have been developed to train staff and managers of childcare centres in using the monitor. There is also training available on analysing and improving staff-child interactions, which have been found to be important for early child development. This approach has provided information about the weaknesses and strengths of the Netherlands' ECEC system, which has provided relevant information for both policy makers and practitioners.³²⁰

Research on effective inclusive practices in ECEC settings has begun to focus on the development of valid and reliable measures for assessing implementation of inclusive practices and supporting quality improvement efforts.³²¹

Currently in Australia there is no framework for specifically monitoring the quality of the inclusive experiences of children with disability in ECEC.³²² The approach taken by the Netherlands could be adapted to the Australian context, whereby measurements of effective inclusive practice could be

³¹⁶ United Kingdom Government, *Help if you have a disabled child* (n.d.) <<https://www.gov.uk/help-for-disabled-child/childcare>>.

³¹⁷ Coram Family and Childcare, *Meeting the childcare needs of children with SEND* (2023) <<https://www.familyandchildcaretrust.org/meeting-childcare-needs-send>>.

³¹⁸ Community Fund, *Improving the life chances of children aged 0-3* (n.d.) <<https://www.tnlcommunityfund.org.uk/funding/strategic-investments/a-better-start#section-1>>.

³¹⁹ Community Fund, *Insights from our funding: documents* (n.d.) <<https://www.tnlcommunityfund.org.uk/insights/documents?q=&programme=a-better-start&portfolio=>>.

³²⁰ Organisation for Economic Co-operation and Development (OECD), *Starting Strong IV: Monitoring Quality in Early Childhood Education and Care* (2015) <https://www.oecd-ilibrary.org/education/starting-strong-iv_9789264233515-en>.

³²¹ Jane Warren et al, 'Small Steps: The Inclusion of Young Children with Disabilities in Australia, Greece, and Malaysia' (2021) 45(2) *Australasian Journal of Special and Inclusive Education* 164.

³²² While inclusion is embedded in the Approved Learning Frameworks and is reflected across the National Quality Standard, in particular Quality Areas 1 and 5, there is no explicit framework for assessing the quality of inclusion for children with disability in ECEC settings.

developed based on an established framework, allowing services to self-assess and monitor their efficacy in meeting the needs of children with additional needs.

Appendix E: Literature on strengthening inclusive practice in ECEC

The intention of the ISP is to facilitate inclusive practice by assisting ECEC services to include children with additional needs alongside their peers. The Program assists services to embed quality inclusive practices into their everyday delivery of early learning programs, whilst addressing barriers that may impede on access and participation for certain children.³²³ Inclusion Professionals provide advice and support on how services can improve their inclusive practice, however, ECEC services still face challenges in providing inclusive education and care for all children. For example, a submission to the 2020 DSE review by ACECQA identified several factors that may impact on the inclusive practices of an ECEC service, including:³²⁴

- **Levels of provider understanding and awareness of the DDA:** there is an identified need to further clarify and promote awareness and understanding of rights, responsibilities and obligations under the DDA for ECEC providers and families
- **Experience and confidence with reasonable adjustments:** providers are inconsistent in their confidence to identify and implement reasonable adjustments, therefore greater clarity and guidance is needed to understand what constitutes 'reasonable adjustments' and 'unjustifiable hardship'. It is recognised that professional learning and development is the most effective means to enable effective inclusive practices
- **Barriers to access and participation:** barriers are identified as *systemic* and/or *societal* and include provider/service capacity and capability, workforce challenges, ISP access, complexity of systems, geographical limitations impacting on access to professional learning and development and other services that can support a holistic approach to inclusive access, the role of diagnosis as a requirement for eligibility for some services, transition to school and outdated beliefs held by schools that children should be 'held back', and challenges in modifying the physical environment, particularly for school-aged children
- **Identifying government mechanisms/initiatives to further promote inclusive access and participation:** there is a need to enable greater access to inclusion support services by increasing available support funding, expanding eligibility criteria and streamlining application processes. Education and training about disability and/or inclusive practice is warranted through mandatory professional learning and development training and/or mandated inclusion content within formal qualifications. Training could include a suite of resources to raise awareness of the DDA and the role of the NQF in supporting inclusive education
- **Role of the National Quality Framework in supporting inclusion:** there is support for the NQF as a regulatory framework in promoting inclusion, however it could be refined to create further positive outcomes for students with disability to access and participate in education and care through stronger links with the DDA.

³²³ Australian Children's Education & Care Quality Authority (ACECQA), *Inclusion Support Program* (n.d.) <<https://www.acecqa.gov.au/help/inclusion-support-program>>.

³²⁴ Australian Children's Education and Care Quality Authority (ACECQA), *Inclusion of children with disability in early childhood and school age education and care: Consultation Summary Report* (December 2020) <https://www.acecqa.gov.au/sites/default/files/2021-04/ACECQA_Report_Summary-DSE_Consultation.pdf>.

Literature indicates that inclusion in ECEC can be strengthened through a focus on staff skills, education and professional learning and development.³²⁵ Inclusion in education settings that is based around an overreliance on individualised adjustments is resource intensive, socially marginalising and less effective.³²⁶ Individual, targeted, criterion-based funding for the provision of additional resources and support in ECEC tends to be deficit-focused and does not align with contemporary definitions of inclusion.

Decisions that are based on this model focus on what a child is unable to do. Support that is dependent on additional funding in order for a child to have their basic right to education and support enacted does not align with the CRPD, particularly if the acceptance of a child is conditional on available funding. Furthermore, haphazard or ad hoc approaches can lead to inconsistencies in support and may result in inequitable practices.³²⁷ On the other hand, inclusion that takes a broader perspective and considers overarching inclusive practice at the classroom, whole-school or service level is more likely to result in sustained improvements in the inclusion of children with additional needs.³²⁸

Several examples of practices and approaches underpinned by research that have been shown to improve inclusion in ECEC are discussed below.

E.1. Multi-Tiered Systems of Support (MTSS)

Tiered systems of support in early childhood have been shown to build inclusive practice. Evidence-based, coordinated, systematic and progressive service delivery is necessary to strengthen inclusive practice in ECEC settings. The goal of MTSS is to organise resources available in a system or program to meet the needs of all children. At the core of MTSS is a general education framework of support that involves a proactive universal approach to providing support in academic, behavioural and social-emotional wellbeing of all children through increasing levels of adjustment to support the needs of individual children.³²⁹ It is a data-based, problem solving and decision-making process that guides differentiated instructional supports to children based on their demonstrated need.

MTSS is based on the following core principles:³³⁰

- 1 All children can learn and achieve when they are provided with high-quality supports to match their needs.
- 2 Instruction should focus on both academic and behavioural goals.
- 3 Children showing signs of delay should be identified as early as possible and provided with a level of support to match their needs.
- 4 Interventions to address children's needs should be designed by collaborative teams that include families, administrators, teachers, other instructional staff, and allied health professionals and should be guided by data and informed by evidence-based practices.

³²⁵ Rob Bray et al, *Inclusion in early childhood education and care: A literature review of best practice. Review undertaken for the Department of Education, Skills and Employment* (ANU Centre for Social Research and Methods, 28 October 2020).

³²⁶ Anthony Shaddock et al, *Disability, diversity and tides that lift all boats: Review of special education in the ACT* (Service Initiative, 2009).

³²⁷ Bernadette Macartney, *Early childhood education and barriers to inclusivity: Working toward a fairer system. A background paper prepared for Child Poverty Action Group (CPAG)* (Child Poverty Action Group, December 2016) <<https://ieag.org.nz/assets/Uploads/Early-Childhood-education-barriers-to-inclusivity-.pdf#:~:text=Ensuring%20the%20rights%20and%20access%20of%20every%20child,relationship%20between%20targeted%20funding%20for%20attendance%20and%20exclusion>>.

³²⁸ Anthony Shaddock et al, *Disability, diversity and tides that lift all boats: Review of special education in the ACT* (Service Initiative, 2009).

³²⁹ Kathy Cologon and Carly Lassig, 'Universal approaches to curriculum, pedagogy and assessment' in Linda J. Graham (ed), *Inclusive Education for the 21st Century* (Routledge, 2020) 179.

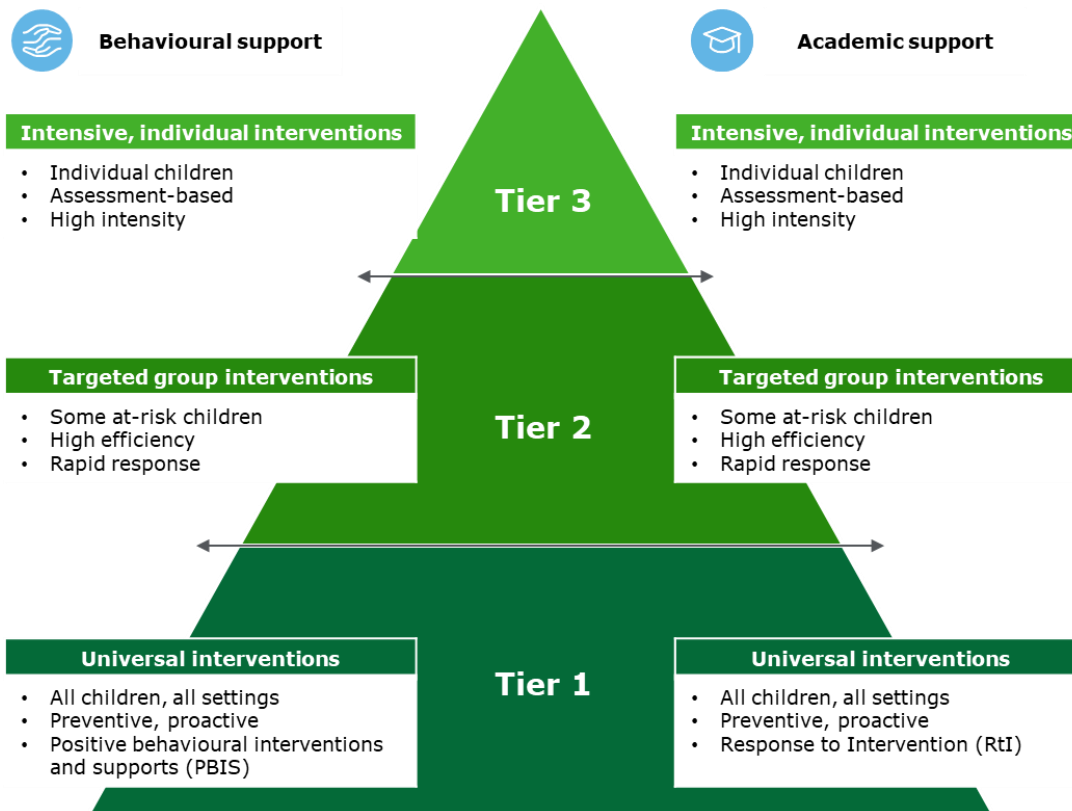
³³⁰ Judith Carta and Robin Miller Young, *Multi-Tiered Systems of Support for Young Children Driving Change in Early Education* (Brookes Publishing, 2018).

- 5 Children’s responses to intervention should be continuously monitored, and explicit data-based decision rules should be in place for making adjustments in intervention.
- 6 All intervention should be based on evidence-based practice implemented with fidelity.

Research has shown that there is a growing support for tiered models of intervention in early childhood settings. Tiered approaches rely on high-quality, evidence-based teaching and caregiving programs, beginning with Tier 1 for all children, Tier 2, providing small-group programs for those children who need more support, and Tier 3 being individually implemented programs for those children with the highest level of need.³³¹

Multi-Tiered Systems of Support (MTSS) is gaining in popularity internationally and in the Australian schooling system. This model focuses providing tiered support for both learning and behaviour. The model is focused on gathering information on students’ learning, implementing instructional practices, and targeting specific interventions to support students’ individual learning and social-emotional needs.³³² Figure E.1 outlines the academic and behavioural supports that are provided at the three levels.

Figure E.1: Framework for multi-tiered systems of support (MTSS) in ECEC



Source: Deloitte Access Economics, adapted from Sugai (2009)³³³

³³¹ Jane Warren et al, 'Small Steps: The Inclusion of Young Children with Disabilities in Australia, Greece, and Malaysia' (2021) 45(2) *Australasian Journal of Special and Inclusive Education* 164.

³³² Ibid.

³³³ George Sugai, *Reaching All Students: RtI & SWPBS - Powerpoint* (28 January 2009) < <https://slideplayer.com/slide/15018406/>>.

There are several implementation challenges that have been identified in the literature when considering the application of MTSS to ECEC settings. These include:³³⁴

- limited research on comprehensive tiered frameworks for use with young children, particularly for infants and toddlers,
- limited research on the impact of MTSS on teaching and child outcomes, particularly for infants and toddlers,
- the need for additional and adequate assessment instruments designed for the purposes described within MTSS frameworks,
- the importance of understanding how developmentally appropriate assessment, instruction and intervention practices vary for diverse groups of children with varying support needs,
- the need for greater professional learning and development for providers on how to collect sufficient data to interpret and draw conclusions regarding children’s learning and development in response to differentiated support or instruction.

Further, implementation is most successful when there is support from leaders, who are tasked with rolling out the initiative and monitoring its implementation. A study from Finland noted that the introduction of MTSS in education settings as a mechanism to support behavioural challenges required strong systems for collecting data along with skilful and adaptive leadership.³³⁵ Consideration should therefore be given to how MTSS might be tailored to ECEC programs to strengthen educator capability and improve outcomes for all children.

E.2. Universal Design for Learning (UDL)

Universal design for learning (UDL) is “an inclusive pedagogical framework of breaking down barriers to the learning process for all students.”³³⁶ The UDL framework, developed by CAST, uses a checklist of principles to ensure that curriculum, lessons and classroom resources are designed to cater for the broadest range of learning styles/needs of students.³³⁷ UDL is being adopted in Australian schools to personalise learning for students with disability and diverse learning needs.³³⁸ It is a responsive and flexible strengths-based approach to supporting the learning of all children.³³⁹

Specifically, the framework is a set of three key principles of engagement, representation, and action and expression, mapped to nine guidelines, which are underpinned by the checkpoints. The framework provides guidance on how educators can approach teaching and learning that caters for the diverse needs of all children. The framework addresses the *why*, the *what* and the *how* of learning and can be adapted to the needs of young children. There is therefore scope to develop early childhood programs based around the principles of UDL to strengthen inclusive practice in ECEC. Although the framework is more commonly used in school settings, the principles of UDL are applicable in early learning setting.³⁴⁰

³³⁴ The Division for Early Childhood of the Council for Exceptional Children (DEC) and National Association for the Education of Young Children (NAEYC), and National Head Start Association (NHSA) (2013) *Frameworks for Response to Intervention in Early Childhood: Description and Implications*.

<https://caainclusion.org/resources/tp/materials/resources-and-background-materials/other-resources/DEC_NAEYC_NHSAJointPaperonRTIinEarlyChildhood_final.pdf>.

³³⁵ Petra Kouvonon et al, ‘Core elements in a multi-tiered system of support (MTSS) for conduct problems in schools and early childhood education and care (ECEC) in Finland – Literature review and case example’ (2022) *Psychiatria Fennica* 76.

³³⁶ Matthew Capp, ‘Teacher confidence to implement the principles, guidelines, and checkpoints of universal design for learning’ (2018) 24(7) *International Journal of Inclusive Education* 706.

³³⁷ CAST, *The Universal Design for Learning Guidelines* (2018)

<https://udlguidelines.cast.org/binaries/content/assets/udlguidelines/udlg-v2-2/udlg_graphicorganizer_v2-2_numbers-yes.pdf>.

³³⁸ Matthew Capp, ‘Teacher confidence to implement the principles, guidelines, and checkpoints of universal design for learning’ (2018) 24(7) *International Journal of Inclusive Education* 706.

³³⁹ Kathy Cologon and Carly Lassig, ‘Universal approaches to curriculum, pedagogy and assessment’ in Linda J. Graham (ed), *Inclusive Education for the 21st Century* (Routledge, 2020) 179.

³⁴⁰ Beyond Blue, *Universal Design for Learning* (2023) <<https://beyou.edu.au/resources/disability-inclusion-guide/universal-design-for-learning>>.

E.3. Training and professional learning and development

Staff quality is one of the most important factors influencing inclusive practice, with research suggesting that improved training and qualification levels raises the quality of interaction and pedagogy in ECEC.³⁴¹ Staff professionalisation starts with entry requirements for ECEC educators and extends to continuous professional learning and development that provides opportunities to learn about the most recent pedagogical developments and also to exchange experiences with other educators.³⁴² Education programs make a large contribution to strengthening the capacity and capability of educators. Literature indicates that continuous professional learning and development that links research to practice and that promotes critical reflection is likely to positively impact inclusive practice.³⁴³ As discussed in Section 3.5, the 2020 review of the DSE found that the capability of ECEC educators could be improved in relation to the DDA and understanding more about reasonable adjustments.³⁴⁴ The review highlighted that pre-service training needed to be considered to improve entry-level knowledge of the DDA prior to entering the workforce. Further, more support and skill development were recommended for educators already working in the early childhood context. It was recommended that this knowledge should extend to supporting the full range of families accessing ECEC services, including Aboriginal and Torres Strait Islander families and those from CALD backgrounds. A number of submissions to the review indicated concerns that the "ISP does not support or provide for the professional learning and development of centre staff to increase their capability in supporting children with complex needs, nor release time to attend meetings with allied health professionals about management of individual children, thus diminishing their ability to support children with disability."

There are three different levels of qualifications for staff working directly with children in Australian ECEC settings. An early childhood teacher has a bachelor's degree from a tertiary institution. Early childhood educators have a diploma or certificate in early childhood education from a registered training organisation. Some ECEC settings also employ inclusive education or special education teachers or therapists to support the inclusion of children with disability, but this is not commonplace. There are few, if any, appropriate university-level qualifications for early childhood special educators in Australia.³⁴⁵ There is also a significant inconsistency between the support in one ECEC service and another. The need for additional training and ongoing professional learning and development for educators is a common theme throughout studies on inclusion in early childhood settings in Australia, with training being identified overwhelmingly as a crucial factor required for effectively including a child with disability in an ECEC setting. ECEC personnel often doubt their capacity to include children with additional needs, particularly those with severe disabilities.³⁴⁶ Targeted training to build capacity in ECEC staff is likely to lead to increased confidence to include children with additional needs in ECEC settings, ultimately leading to improved outcomes for all children.

Research shows that teacher education through training and professional learning and development positively influences inclusive practice.³⁴⁷ Traditionally, training and professional learning and development for educators has been accessed in face-to-face settings, however, due to advances in technology and a shift in attitudes towards online learning and strengthened capabilities in learning

³⁴¹ Paul Bartolo and Flora Bellour, *Inclusive Early Childhood Education: Literature Review* (European Agency for Special Needs and Inclusive Education, December 2017) <https://www.researchgate.net/publication/321938159_Inclusive_Early_Childhood_Education_Literature_Review>.

³⁴² Ibid.

³⁴³ Rob Bray, *Inclusion in early childhood education and care: A literature review of best practice. Review undertaken for the Department of Education, Skills and Employment* (ANU Centre for Social Research and Methods, 28 October 2020).

³⁴⁴ Australian Government Department of Education, *Final Report – 2020 Review of the Disability Standards for Education 2005* (12 March 2021) <<https://www.education.gov.au/disability-standards-education-2005/2020-review-disability-standards-education-2005/final-report>>.

³⁴⁵ Coral Kemp, 'Early Childhood Inclusion in Australia' (2016) 29(3) *Infants & Young Children* 178.

³⁴⁶ Jane Warren et al, 'Small Steps: The Inclusion of Young Children with Disabilities in Australia, Greece, and Malaysia' (2021) 45(2) *Australasian Journal of Special and Inclusive Education* 164.

³⁴⁷ Emma Wray et al, 'Factors influencing teacher self-efficacy for inclusive education: A systematic literature review' (2022) 117 *Teaching and teacher education* 1.

in an online format, training for educators has increasingly become available in the online environment. In the school inclusive education space, education authorities and private providers have begun to develop online platforms and courses where educators can access content and resources to develop and refine their inclusive teaching practices. For example, eLearning modules, webinars, podcasts and online resource 'hubs' are becoming increasingly popular as an alternative mechanism for educators to access professional learning. These approaches are convenient to use on a variety of devices, can be accessed at any time, are often cost-effective and provide opportunities for educators in rural and remote areas to access training in specific areas of need.

Recent Australian research into inclusion in ECEC suggests that more guidance in inclusion for educators may be of assistance, such as an information package for educators that could include some theoretical foundation for the importance of inclusion, as well as pedagogical approaches to ensure a successful transition into the ECEC centre. Further suggestions included templates for specific processes, such as communication dictionaries, individualised goal setting and other orientation information. It was also recommended that ECEC educators would benefit from having access to resources that could be used to inform families about inclusive policy, procedures and practices.³⁴⁸

Inclusive practice in ECEC may therefore potentially be strengthened through providing access to online resources and training specific to inclusion in ECEC settings.

E.4. Leadership

It is recognised that effective leadership is vital to the success of education and care settings. Strong leadership has also been recognised as key for successful inclusion in these settings.³⁴⁹ Leaders set the tone and culture of a learning community. Although they are not expected to be experts, teams of educators invariably look to them for guidance, direction and support.³⁵⁰ An effective inclusive leader in ECEC:³⁵¹

- sets an inclusive tone and vision for the service
- adopts an inclusive framework (e.g., MTSS and/or UDL)
- facilitates training and professional learning and development for staff
- accesses available resources and funding
- models the use of inclusive language
- fosters a whole learning community approach
- builds partnerships with families and the community.

The 2020 review of the DSE found that positive service leadership is critical and underpins good inclusive experiences for families.³⁵² The report noted that leadership sets the inclusive culture of a service and families who reported good experiences usually attributed these to positive and supportive attitudes of Centre Directors or leaders. The review found that families experienced 'gatekeeping' by some leaders in ECEC settings, who commented about an inability to provide appropriate supports for children, or they reported having long waitlists or being full as a strategy to deter families from submitting an application to enrol in the service.

Without skilled, committed and knowledgeable leaders to help shape an inclusive culture, ECEC services are at risk of not meeting their obligations under the DDA. Children with disability and additional needs may also miss out on equitable access to quality education and care.

³⁴⁸ Jane Warren et al, 'Small Steps: The Inclusion of Young Children with Disabilities in Australia, Greece, and Malaysia' (2021) 45(2) *Australasian Journal of Special and Inclusive Education* 164.

³⁴⁹ Beyond Blue, *Leading and inclusive learning community* (2023) <<https://beyou.edu.au/resources/disability-inclusion-guide/leading-an-inclusive-learning-community>>.

³⁵⁰ *Ibid.*

³⁵¹ *Ibid.*

³⁵² Australian Government Department of Education, *Final Report – 2020 Review of the Disability Standards for Education 2005* (12 March 2021) <<https://www.education.gov.au/disability-standards-education-2005/2020-review-disability-standards-education-2005/final-report>>.

E.5. Collaboration

Collaboration between early childhood professionals, program leaders, community organisations, specialist service providers (e.g., NDIS providers) and families is another key component of high-quality inclusive practice in ECEC settings. Educators benefit from having the skills to work with families, communities, other agencies and other educators.³⁵³ ECEC services will not always be equipped to meet all of the support needs of a child. For this reason, there is a need to collaborate with those who are able to provide more specific services, recommendations and strategies for individual children. For example, an ECEC service might liaise with a child's NDIS funded occupational therapist regarding appropriate play-based and developmental approaches to help support the child's communication and social skills whilst attending ECEC.

In many European countries, ECEC teams typically comprise of care staff and education staff, but regulations also include provision for professionals specialised in diverse fields including speech pathology, psychology and social work in many European countries.³⁵⁴ These professionals support staff working with children with disability or additional needs. Another form of collaboration may include ECEC services meeting with primary school staff to plan for a child's smooth transition to formal schooling.

Literature emphasises the importance of fostering effective relationships between families and ECEC services in building children's academic and social-emotional development, however a challenge identified by educators is inadequate training in how to work with families. Some educators feel unprepared for having difficult conversations with families, such as conversations relating to concerns regarding a child's development or managing conversations when families become violent or aggressive.³⁵⁵ An Australian study found that educators expressed a need for further training in this area and suggested that video demonstrations of effective practice and opportunities to practically apply newly learned skills would be beneficial. They also suggested that they would benefit from access to downloadable quick reference guides and tip sheets. Coaching by trusted supportive colleagues or leaders was also recommended, along with having the opportunity to attend training and participate in on-the-job skill development activities.³⁵⁶

The European Agency for Special Needs and Inclusive Education suggests considering the following questions when addressing how to enhance collaboration with families:³⁵⁷

- 1 What does family participation mean?
- 2 How can the service effectively contribute to and promote the empowerment of families?
- 3 Is there a service policy on how to work with families?
- 4 What are the key elements of this policy?
- 5 Is this included in educator training?
- 6 Do families have the opportunity to decide on their children's educational and care options?
- 7 Which are the procedures parents could initiate to complain about service decisions?
- 8 Does the service consider the child's strengths, interests, goals and expectations – as well as those of the child's family?

³⁵³ Paul Bartolo and Flora Bellour, *Inclusive Early Childhood Education: Literature Review* (European Agency for Special Needs and Inclusive Education, December 2017) <https://www.researchgate.net/publication/321938159_Inclusive_Early_Childhood_Education_Literature_Review>.

³⁵⁴ *Ibid.*

³⁵⁵ Catherine Murphy et al, 'Partnership with families in early childhood education: Exploratory study'. 2021) 46(1) *Australasian Journal of Early Childhood* 93.

³⁵⁶ *Ibid.*

³⁵⁷ Paul Bartolo and Flora Bellour, *Inclusive Early Childhood Education: Literature Review* (European Agency for Special Needs and Inclusive Education, December 2017) <https://www.researchgate.net/publication/321938159_Inclusive_Early_Childhood_Education_Literature_Review>.

Key characteristics of effective collaboration in ECEC services involves practices such as:³⁵⁸

- joint participation in planning
- shared philosophies
- shared responsibility for all children
- communication
- defined professional roles
- stability of relationships
- administrative support.

Effective collaboration between all parties invested in a child's growth and development leads to improved outcomes for all children, including those with additional needs. Opportunities to foster collaboration should be explored when looking to improve inclusion in ECEC settings.

Box E.1 The role of support staff

Research shows that there can be inadvertent and unintentional negative consequences associated with paraeducators supporting children with disability and additional needs. Although much of the international research in this space is based on the inclusion of school-aged children, the research is still relevant to the ECEC context. When utilised ineffectively, paraprofessional educators may in fact represent barriers to a child's inclusion in a service. When educators are aware of how to collaborate effectively with paraeducator support staff, these staff may provide opportunities for enriched social engagement and learning for all children.^{359, 360} Research suggests that when a service employs an additional staff member to support a child with disability or additional needs, they are typically utilised to provide one to one, individualised support for specific children. An alternative model that is proposed is for these staff to work with all children, not only those with support needs.³⁶¹ This includes working in partnership with other educators rather than in isolation.

In some European countries, such as Slovenia, assistants are fully qualified with an early years specialist focus. This may be an opportunity for these educators to build capacity in other staff they collaborate with. In the context of the ISP, an additional educator is often regarded as an essential provision to support the inclusion of a child with disability or additional needs. Reimagining this role may be necessary in order to improve inclusive opportunities for the children they are required to support.

E.6. Implementation

Current research on effective inclusive practices has begun to focus on been the development of valid and reliable measures for assessing implementation of inclusive practice.³⁶² Implementation science can be defined as the study of methods or techniques used to enhance the adoption, implementation and sustainability of an intervention. In the United States, the work of the National

³⁵⁸ Jane Warren et al, 'Small Steps: The Inclusion of Young Children with Disabilities in Australia, Greece, and Malaysia' (2021) 45(2) *Australasian Journal of Special and Inclusive Education* 164.

³⁵⁹ Paul Bartolo and Flora Bellour, *Inclusive Early Childhood Education: Literature Review* (European Agency for Special Needs and Inclusive Education, December 2017) <https://www.researchgate.net/publication/321938159_Inclusive_Early_Childhood_Education_Literature_Review>.

³⁶⁰ Robert Webster et al, 'The Wider Pedagogical Role of Teaching Assistants' (2011) 31(1) *School Leadership & Management*, 3.

³⁶¹ Paul Bartolo and Flora Bellour, *Inclusive Early Childhood Education: Literature Review* (European Agency for Special Needs and Inclusive Education, December 2017) <https://www.researchgate.net/publication/321938159_Inclusive_Early_Childhood_Education_Literature_Review>.

³⁶² Jane Warren et al, 'Small Steps: The Inclusion of Young Children with Disabilities in Australia, Greece, and Malaysia' (2021) 45(2) *Australasian Journal of Special and Inclusive Education* 164.

Implementation Research Network³⁶³ has been important in establishing an understanding of factors influencing effective implementation of innovative programs and interventions in inclusive practice in ECEC settings, and what contributes to achieving desired outcomes for young children and their families³⁶⁴.

Three distinct components are necessary to ensure that an educational innovation (e.g., an educational intervention or practice) results in desired outcomes for children and their families. For ECEC inclusive practice this involves:³⁶⁵

- 1 **Effective innovations:** Identifying effective research-informed inclusive practices that meet the developmental and learning needs of young children.
- 2 **Effective implementation:** The successful application of effective practices also requires implementation drivers, including supports for building knowledge and capacity of the early childhood workforce to apply inclusive practices effectively and assessment systems to monitor the implementation process.
- 3 **Enabling contexts:** Implementation requires a context that enables the innovation (i.e., inclusive practice) to be implemented. This component includes legislation, policies, funding and governance.

Currently in Australia, there is no framework for monitoring the quality of the inclusive experiences of children with disability and additional needs.³⁶⁶

³⁶³ Dean Fixsen and Karen Blase, *Implementation Brief: Active Implementation Practice and Science* (National Implementation Research Network, 7 October 2016) <<https://nirn.fpg.unc.edu/sites/nirn.fpg.unc.edu/files/resources/NIRN-Briefs-1-ActiveImplementationPracticeAndScience-10-07-2016.pdf>>.

³⁶⁴ Jane Warren et al, 'Small Steps: The Inclusion of Young Children with Disabilities in Australia, Greece, and Malaysia' (2021) 45(2) *Australasian Journal of Special and Inclusive Education* 164.

³⁶⁵ Dean Fixsen and Karen Blase, *Implementation Brief: Active Implementation Practice and Science* (National Implementation Research Network, 7 October 2016) <<https://nirn.fpg.unc.edu/sites/nirn.fpg.unc.edu/files/resources/NIRN-Briefs-1-ActiveImplementationPracticeAndScience-10-07-2016.pdf>>.

³⁶⁶ Jane Warren et al, 'Small Steps: The Inclusion of Young Children with Disabilities in Australia, Greece, and Malaysia' (2021) 45(2) *Australasian Journal of Special and Inclusive Education* 164.

Appendix F: Data collection instruments

This research has involved a number of data collection instruments across a range of stakeholders, including providers, peak bodies, government agencies and early childhood educators.

The two main components of consultation with the ECEC sector were the national sector survey, circulated to all Australian ECEC services on 28 April 2023, and a set of focus groups with early childhood professionals in services across Australia.

For the purposes of this report, we have included the key data collection tools below (sector survey and main ECEC focus group questions):

F.1. National ECEC sector survey - questions

Background information

In this section you will be asked to provide some background information about yourself and your service. This will help us to understand more about who engages with the ISP around the country.

Q1 What type of service do you work in?

- Long day care service (LDC)
- Community preschool/kindergarten
- Family day care service (FDC)
- Outside school hours care (OSHC)
- Vacation care service (VAC)
- Occasional care service
- Out-of-scope service (e.g., mobile preschool)
- Other (please specify).

Q2 What are your roles and responsibilities at the service? (Please select all that apply)

- Approved provider
- Nominated supervisor
- Person with management or control
- Service director
- Person in day-to-day charge
- Early childhood educator/Early childhood teacher
- Family day care educator
- Educational leader
- Other (please specify).

Q3 What is the postcode of the suburb/town where your service is located?

Q4 Are you aware of the Inclusion Support Program (ISP)?

- Yes
- No.

Skip To: End of Survey If Are you aware of the Inclusion Support Program (ISP)? = No

Q5 Does your service currently receive support under the ISP?

- Yes
- No.

Q6 If you answered 'yes' to Question 6, what type/s of support does your service receive under the ISP?

- Support from an Inclusion Professional
- Advice and information from an Inclusion Agency or the Inclusion Development Fund Manager (IDFM)
- Financial support through the Inclusion Development Fund (IDF)
- Specialist equipment (such as through a Specialist Equipment Library)
- Other (please clarify)

Skip To: Q10 If Does your service currently receive support under the ISP? = Yes

Q7 Why has your service not requested support through the ISP?

- Supports not required
- Support required, but application process too complex
- Planning to access the ISP in the future
- Not knowledgeable about supports offered
- Negative opinion about program
- Not eligible for funding under the ISP
- Other (please clarify)

Skip To: End of Survey If Why has your service not requested support through the ISP?, Supports not required Is Displayed

Q8 Are/were you responsible for (or have input into) accessing the ISP at your service?

- Yes
- No.

Q9 In this section you will be asked about how your ECEC service and staff are able to support the inclusion of children with additional needs. This will help us to understand more about the strengths and barriers relating to inclusion in ECEC services. If you are not sure, you can select 'unsure' and you have the option to provide additional feedback.

Please rate your level of agreement with the following statements:

	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree	unsure
Children with additional needs are able to access and participate in learning programs at the service.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The physical environment at the service is suitable for children with additional support needs.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The physical environment at the service is suitable for children with additional support needs.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The service has adequate resources to support the inclusion of children with additional needs.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree	unsure
Educators and service staff have the required knowledge and skills to provide support for children with additional needs.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The service is able to meet expectations of families regarding education and care for their children.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Knowledge of and engagement with the Inclusion Support Program (ISP)

In this section you will be asked to provide information about your understanding of the ISP, and which funded resources and supports (if relevant) are helpful in supporting the inclusion of children with additional needs. This will help us to understand how to improve support for children in ECEC services.

Q10 My understanding of the ISP is:

- Poor
- Fair
- Good
- Very good
- Excellent.

Q11 My knowledge of the different supports and resources provided through the ISP is:

- Poor
- Fair
- Good
- Very good
- Excellent.

Q12 For each of the resources and supports available through the ISP, please indicate the degree to which you feel the resource or support has helped your ECEC service to include children with additional needs. If you have not accessed the specific resource or support, please select 'N/A'.

Note: Information about supports provided through the ISP is available here: [Inclusion Support Program - Department of Education, Australian Government](#)

	Not at all	To some extent	To a fair extent	To a great extent	N/A
Inclusion support and resources from Inclusion Agency (IA)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The Strategic Inclusion Plan (SIP)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	Not at all	To some extent	To a fair extent	To a great extent	N/A
IDF subsidy for an Additional Educator	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Immediate/Time Limited Support (of an Additional Educator)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
IDF Family Day Care Top Up	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
IDF Innovative Solutions Support	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Specialist Equipment Library	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The Inclusion Support Portal	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Perceptions of the Inclusion Support Program (ISP)

Q13 In this section we are interested in understanding what your thoughts and feelings are about the ISP. This will help us understand how to improve support for children with additional needs in ECEC services. If you are not sure, you can select 'unsure' and you have the option to provide additional feedback.

Please rate your level of agreement with the following statements:

	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree	unsure
Information about the ISP is easy to access	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Information about ISP services is easy to understand	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
It is easy to access supports under the ISP	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Educators can include all children by accessing current	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree	unsure
resourcing provided through the ISP.						
The ISP has helped me to develop my skills and confidence to support the inclusion of children with additional needs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Demand for supports provided through the ISP has increased over time at the service	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The ISP is able to respond to an increased demand for support at the service, if required	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The Strategic Inclusion Plan (SIP) supports our service in building inclusive practices	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am confident in using the Inclusion Support Portal	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Children would not be able to access and participate in the service if we did not have access to support available through the ISP	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The ISP is able to build the capacity of the service. <i>(For this question, capacity is defined as the ability of the service to enrol children with additional needs including ensuring adequate supervision of all children and ensuring the physical environment, furniture and centre resources are appropriate and fit-for-purpose.)</i>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The ISP is able to build the capability of the service. <i>(For this question, capability is defined as educators having the necessary skills, knowledge and attitudes to support the needs of children with additional needs.)</i>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q14 In your opinion, are there any barriers that impact on the ability of your service to access resources and/or supports under the ISP? If so, please explain what these are. (max 100 words)

Improving the Inclusion Support Program (ISP)

The intent of the ISP is: to assist ECEC services to provide and embed quality inclusive practices into their delivery of early learning programs for all children, to address access and participation barriers for children in ECEC services, and to support the inclusion of children with additional needs in ECEC, with their typically developing peers.

Please provide responses to the following questions in light of the intent of the ISP.

Note: the following questions are optional

Q15 In your experience, which aspects of the ISP are most effective in supporting the inclusion of children with additional needs? Please explain your reasoning. (max 200 words)

Q16 Do you have any ideas or suggestions about how the ISP could be more user-friendly? (max 200 words)

Q17 In your opinion, which aspects of the ISP are not fit-for-purpose (i.e., do not support ECEC services to build inclusive practices)? (max 200 words)

Q18 In your opinion, what would you change about the ISP to better support ECEC services to build more effective inclusive practices for children with additional needs? (max 200 words)

Q19 How else could the Australian Government increase the inclusion of children with additional needs in ECEC services? (max 200 words)

Q20 Do you have any additional comments? (max 200 words)

F.2. ECEC focus groups - questions

Note: these questions may have been revised/amended depending on the particular focus group session. Not all questions may have been asked during the focus group, and the interviewer(s) was/were guided by the discussion between participants in the focus group.

General/introduction

Q1 What is your role at the service and what level of involvement do you have with the ISP?

Q2 How long have you accessed funding and supports under the ISP at your service?

Q3 How many times have you accessed ISP support for your family day care service?

Q4 How long have you personally been involved in the ECEC, and in what capacity?

Program vision

Q5 Do you support the objectives of the ISP?

Q6 Do you believe implementing the ISP is important? Why or why not?

Q7 Do you believe the ISP is culturally safe and appropriate for your community?

Program design and delivery

Q8 Which supports have you accessed through the ISP?

Q9 Have you accessed the Family Day Care Top Up funding through the ISP? Why/why not?

Q10, Do you have any feedback on the quality of the ISP supports you have accessed, and of the ISP delivery in this regard?

Q11 How do you find ease of access to funding under the ISP?

Q12 Has your demand for the ISP changed over time? If yes, what do you think are the key drivers for this?

Q13, Do you think the ISP effectively addresses changes in demand? What suggestions do you have for the ISP to respond to changes in demand more effectively?

Q14 From your perspective, how well does the ISP interact with other government programs targeting similar objectives, participants, or activities? For example, the NDIS, or state government inclusion supports.

Q15 How does the ISP support trauma-informed practice, and how does it respond to children experiencing trauma-related behaviours?

Q16, Do you have any suggestions for how the Program design could be improved to better build capacity and capability of services to support inclusion?

Program supports

Q17 What is your experience of the application and assessment process, as well as recruitment of the additional educator? How could this be improved?

Q18 What are your thoughts on the Strategic Inclusion Plan (SIP)?

Q19 What are your thoughts about the Inclusion Support Portal?

Q20 How do you find engagement with your Inclusion Agency and the IDFM? Please share any feedback you have regarding this.

Q21 Have you ever faced barriers or difficulties when accessing ISP support? Please elaborate.

Other

Q22, Do you have any other comments you would like to share about your perspective of, or engagement with, the ISP?

Limitation of our work

General use restriction

This report is prepared solely for the internal use of the Australian Government Department of Education. This report is not intended to and should not be used or relied upon by anyone else and we accept no duty of care to any other person or entity. The report has been prepared for the purpose of the review of the Inclusion Support Program. You should not refer to or use our name or the advice for any other purpose.



Deloitte Access Economics Pty Ltd
Level 5
6 Brindabella Cct
North Canberra 2609

Phone: +61 2 6263 7000
Fax: +61 2 6263 7004
Email: webenquiry@deloitte.com.au

Deloitte Access Economics is Australia's pre-eminent economics advisory practice and a member of Deloitte's global economics group. For more information, please visit our website: www.deloitte.com/au/deloitte-access-economics

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms, and their related entities (collectively, the "Deloitte organisation"). DTTL (also referred to as "Deloitte Global") and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

Deloitte is a leading global provider of audit and assurance, consulting, financial advisory, risk advisory, tax and related services. Our global network of member firms and related entities in more than 150 countries and territories (collectively, the "Deloitte organisation" serves four out of five Fortune Global 500® companies. Learn how Deloitte's approximately 415,000 people make an impact that matters at www.deloitte.com.

Deloitte Asia Pacific

Deloitte Asia Pacific Limited is a company limited by guarantee and a member firm of DTTL. Members of Deloitte Asia Pacific Limited and their related entities, each of which are separate and independent legal entities, provide services from more than 100 cities across the region, including Auckland, Bangkok, Beijing, Hanoi, Hong Kong, Jakarta, Kuala Lumpur, Manila, Melbourne, Mumbai, New Delhi, Osaka, Seoul, Shanghai, Singapore, Sydney, Taipei and Tokyo.

Deloitte Australia

The Australian partnership of Deloitte Touche Tohmatsu is a member of Deloitte Asia Pacific Limited and the Deloitte organisation. As one of Australia's leading professional services firms, Deloitte Touche Tohmatsu and its affiliates provide audit, tax, consulting, risk advisory, and financial advisory services through approximately 8000 people across the country. Focused on the creation of value and growth, and known as an employer of choice for innovative human resources programs, we are dedicated to helping our clients and our people excel. For more information, please visit our web site at <https://www2.deloitte.com/au/en.html>.

Liability limited by a scheme approved under Professional Standards Legislation.
Member of Deloitte Asia Pacific Limited and the Deloitte organisation. © 2023 Deloitte Touche Tohmatsu.