# 2024 Free Kinder funding requirements

**Long day care services**

## Key information for long day care services

Free Kinder is available in Three- and Four-Year-Old Kindergarten programs at participating services.

Families with children enrolled in integrated kindergarten programs at participating long day care centres will receive a fee offset of up to $2,050.

The 2024 [Free Kinder funding rates for integrated programs in long day care services](https://www.vic.gov.au/free-kinder-funding-requirements-long-day-care-providers) are available on the department’s website. Where a long day care service offers a sessional kindergarten program for which children do not attract Commonwealth Childcare Subsidy (CCS), different funding requirements apply. Services offering a session kindergarten program must also refer to the [Free Kinder funding requirements for sessional programs](https://www.education.vic.gov.au/Documents/funding-requirements-free-kinder-2024-sessional.docx).

## 2024 Free Kinder funding requirements for long day care services with integrated kindergarten programs

Funded long day care service providers offering integrated kindergarten programs must:

* Set the same fees for all kindergarten-age children (both 3- and 4-year-olds) in their service. This ensures that children in the kindergarten program don't pay higher fees than those not in the program.
* Deduct the entire Free Kinder payment from the fees of parents with children in the funded kindergarten program. The cost of kindergarten hours does not need to be calculated separately for integrated programs.
* Apply this fee offset weekly, fortnightly, or monthly, and make it clear on parent invoices (label it as ‘Victorian Government Free Kinder offset’).
* Use any surplus funding to improve the funded kindergarten program. This may include improving quality and supporting family engagement. This is for situations where parents pay less than the Free Kinder payment in out-of-pocket fees throughout the kindergarten year.

### Interactions with Commonwealth Childcare Subsidy

In Victoria, Free Kinder is an allowable third-party payment under Commonwealth funding rules. This means that Free Kinder does not impact a family’s CCS entitlement. It also means long day care service providers must apply the Free Kinder offset to each families' fees after CCS has been applied.

### Confirming a child’s funded kindergarten program

Services must tell families that their child can only access a funded kindergarten program at one service at a time. Services must make sure that all families have a signed form that confirms where their child will go for their funded program and keep a copy on record at the service.

All services must use the department’s “one funded place” form available [here](https://www.vic.gov.au/resources-funded-kindergartens). This form can be included in an enrolment pack, either on paper or online and needs a parent or carer signature.

Long day care services should reconfirm a child's participation in their funded kindergarten program prior to Annual Confirmation to make sure funding is paid to the right service.

Services should also wait until [Term 1](https://www.vic.gov.au/school-term-dates-and-holidays-victoria) begins (in line with school terms) before applying the Free Kinder offset, in case families decide to access a funded program at a sessional service.

If a child is enrolled at more than one service and funding is paid to a service where the family does not wish to claim their funded place, the department will recoup the funding.

### Communicating with parents

Long day care services must provide families with the following information:

* how the Free Kinder offset will be applied to families’ fees (including regularity, which must be no less frequent than monthly)
* when payments will begin
* how the offset will be detailed on invoices (labelled Victorian Government Free Kinder offset)
* that where families attend more than one service they must choose where the child will participate in the funded kindergarten program (and therefore receive the Free Kinder funding)
* that children eligible for ESK are enrolled and funded under the ESK program.

The above information should be included in the service’s kindergarten fee policy.

Free Kinder must be well-promoted and explained through services’ communication channels, including websites. You can find [communications resources](https://www.vic.gov.au/communicating-about-kindergarten-to-your-community) on the department website including a factsheet and letter for families, as well as website and social media content.

Services should access translated materials and/or a translator if this would be of benefit to families.

## Confirmation of participation in Free Kinder

Service providers will be required to confirm their participation in Free Kinder for 2024.

## If a service is new or starts offering funded kindergarten during the year, they'll be asked to confirm their participation as part of the application for funding process.

## Monitoring and compliance with funding requirements

The department will actively monitor compliance with the Free Kinder funding requirements. The department, or an organisation engaged to monitor compliance on behalf of the department, may seek additional information and documents from service providers as part of an assurance process. This is to ensure the full benefits are being passed on to parents and that all Free Kinder funding is being used correctly and according to requirements.

## Free Kinder payment to services

[Free Kinder funding rates](https://www.vic.gov.au/kindergarten-funding-rates) for 2024 are available on the department’s website.

Free Kinder funding is paid on top of other kindergarten funding streams available to long day care services (excluding Early Start Kindergarten (ESK)).

The Free Kinder payment will replace ESK Extension and is included in the ESK rate.

### Funding for hours of Three-Year-Old Kindergarten

Funding for Three-Year-Old Kindergarten enrolments is based on the number of hours a child spends in a funded program, which can range from 5 to 15 hours.

If a child is enrolled in a Three-Year-Old Kindergarten program for the full 15 hours per week, the service will be paid the full funding 15-hour funding amount for that child.

If a child is enrolled for fewer than 15 hours, the funding will be adjusted proportionally. For example, if a 3-year-old child is enrolled in a kindergarten program for 7.5 hours per week, they will receive half of the full 15-hour Free Kinder rate.

### Payment of Free Kinder funding

Free Kinder payments will be made monthly via the Kindergarten Information Management System (KIMS). Free Kinder funding is prorated from a service’s funding start date.

Services should ensure their enrolment data in KIMS is up to date to ensure accurate payments each month.

### Offsetting Free Kinder

Long day care services must apply the Free Kinder offset weekly, fortnightly or monthly. The offset should not be applied termly as this increases the risk of passing on the incorrect offset to families that move between services.

The [Free Kinder calculator](https://educationvic.service-now.com/kb_view.do?sysparm_article=KB0011518) is available to support services to determine the correct amount to offset from fees.

### Families with surplus Free Kinder funding

In circumstances where the fee offset is greater than the families’ gap payment, services should set aside any fee offset not used throughout the year, in case the family's situation changes.

This may mean these families get a larger part of their fee offset later in the year if their CCS level decreases. By the end of the kindergarten year, if possible, each family should receive their full Free Kinder entitlement.

At the end of the calendar year, any remaining fee offset may be used to improve the funded kindergarten program, like improving quality and engaging families in kindergarten for the following year.

# Frequently asked questions

## What happens if a child moves from one service to another in the kindergarten year?

Some children move from one service to another during the kindergarten year. In these cases, the Free Kinder funding will cease at the first service and payments will be paid to the new service (if that service is participating in Free kinder).

## Do I need to enrol children eligible for ESK?

It’s important that you continue to enrol eligible children in Early Start Kindergarten (ESK) at your service. This helps service providers receive their full funding entitlement and ensures these children have access to 15 funded hours of kindergarten across Victoria.

ESK enrolment numbers play a role in calculating School Readiness Funding (SRF) for service hathe most vulnerable children in kindergarten across Victoria and provide extra targeted support where needed through SRF or Early Childhood LOOKOUT.

## Why are the Free Kinder subsidies different in sessional and long day cares?

Free Kinder funding works differently in the 2 settings. For integrated long day care programs, the service must pass the full Free Kinder savings on as a fee offset to families. This is because fees are charged for all hours of education and care, not just the kindergarten program hours, and fees can vary based on factors like the family’s Commonwealth Child Care Subsidy entitlement.

Free Kinder in sessional programs functions as a fee replacement for the service. The sessional rate has been set higher to enable sessional services to offer a free 15-hour program without changing their current fee structure.

## Can service providers opt in at a program level? (i.e., opt-in for the Four-Year-old Kindergarten program only and not the Three-Year-Old Kindergarten program)?

Services that are participating in Free Kinder must offer a free program for all children enrolled in kindergarten at their service. Services cannot only offer Free Kinder to some groups of children (e.g. cannot offer Free Kinder for Four-Year-Old Kindergarten and not Three-Year-Old Kindergarten).

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