

Questions for your committee's 2027 budget meeting

Questions to ask about enrolments, pay, fees and the transition year, with no figure for any service.

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The Universal Preschool Funding program runs for the 2027 calendar year (section 2.5).

It follows Start Strong for Community Preschools, the 2026 funding (section 2.7).

These questions help a committee plan for 2027. They give no budget model and no figure for any service.

Our update, [The 2027 preschool funding guidelines, in plain words](#), sets out what changed.

The department's guidelines are the authority, so read them in full.

Enrolments

- Workforce funding is worked out from average daily enrolments (Appendix 1.1).
- It assumes enrolments are spread efficiently across the week (Appendix 1.1).
- Average daily enrolments come from the 2026 Annual Preschool Census (Appendix 3).
- Children aged 3 and over by 31 July 2027 can be eligible for funding (section 3.3).
- Enrolment decisions must still follow the priority of access order (section 4.2).

Questions to ask:

- What do our average daily enrolments fund under the staffing table?
- How do our enrolments spread across the week?
- Do we enrol in the priority of access order?

Pay

- From 1 January 2027, funded services must pay set increases to stay eligible (section 4.5).
- Teachers and directors under the Teachers Award must be paid at least 5% above the award (section 4.5).
- Educators on the Children's Services Award must be paid the 30 June 2028 rates (section 4.5).
- The department says this is up to 10.07% above the award (section 4.5).
- Appendix 1.1.2 lists the minimum annual rates to meet or exceed (section 4.5).
- Each service must check it has the right award and rates (section 4.5).
- A service can choose to pay more than these increases (section 4.5).

Questions to ask:

- Does each person's pay meet the 2027 rates from 1 January?
- Who checks each person's award, classification and rate?
- If we are thinking about changing roles or hours, what do the awards require before we decide?

Fees

- Where out-of-pocket fees are \$20 a day or less, the cap is \$20 a day (section 4.4.2).

- Higher fees must not rise above those set from 3 to 14 August 2026 (section 4.4.2).

Questions to ask:

- What do our out-of-pocket fees look like under the cap?

Payments and the transition year

- Applications open on 1 December 2026 (section 2.5).
- Funding is not guaranteed until the application process is complete (section 2.5).
- The first quarterly payment is expected by 19 December 2026 (section 2.5).
- The department says these dates are indicative only and may change (section 2.5).
- Transition Arrangement funding is a one-off payment. It helps some services whose 2027 funding is less than 2026 (Appendix 1.4).
- It may not apply where the fall is wholly due to reduced operations (Appendix 1.4).
- The department tells those who can get it. It is for 2027 only (Appendix 1.4).

Questions to ask:

- Has the department told us we are eligible for the transition year?
- What is our plan for 2028?

Unspent funds

- Money not spent must be declared in the Financial Accountability Statement (section 6.1).
- It is returned to the department if the department directs (section 6.1).

Questions to ask:

- How will we track spending against the spending rules?

Who decides

- The guidelines say community preschools make their own staffing decisions (section 4.5).
- The pay increases are still a condition of funding (section 4.5).

Questions to ask:

- Which budget decisions sit with the committee, and which with the director?

Sources

[NSW Department of Education, 2027 Universal Preschool Funding program guidelines, 19 October 2026](#)

This is general information for NSW community preschools, current at the date shown. For advice on your own service's position, ask a qualified adviser.

The Forum covers the new funding model's first year: [book a place](#), \$500 + GST (\$550 total) per person.