

Hon Paula Bennett
Minister for Social
Development
Associate Minister of Housing



5 April 2013

Media Statement

Funding improvements for out of school care

Social Development Minister Paula Bennett has announced changes to the funding system for Out of School Care (OSCAR) programmes.

“After consultation with and advice from the sector, we’re improving funding so it’s fair and equitable and targeting priority communities for more services.”

The current ‘deficit-based’ funding system has created a perverse incentive as providers get more funding when operating at a loss which can encourage inefficient practise.

“It just didn’t make sense to continue that.”

Following consultation with the sector, an OSCAR sector Steering Group helped design the new system, with those changes consulted on as well.

“I’d like to thank the steering group for their leadership and clear recommendations, which we are going ahead with,” Mrs Bennett said.

Accepted recommendations include:

- Linking grants to number of children in programmes
- Targeting low-income and isolated communities

“Having a spread of good OSCAR services means sole parents with new work expectations through welfare reforms, have greater child care options.”

There are no changes to the OSCAR subsidies available to eligible parents.

To help providers adapt to the new system, transitional funding will provide support over the next three years. New contracts take effect from 1 July.