## New funding requirements

Non-government entities funded by Victorian government departments, Court Services Victoria and Family Safety Victoria to deliver services to children are now required to be **incorporated as separate legal entities** and **appropriately insured** against child abuse.

These requirements apply to new funding agreements between the Victorian Government and non-government entities that receive funding to provide services to children from 1 July 2019.

## Why was the funding reform introduced?

The funding reform was introduced to implement recommendations made by the 2013 *Betrayal of Trust* reportand the 2017 final report from the Commonwealth Royal Commission into Institutional Responses to Child Sexual Abuse.

The requirements for funded organisations to be incorporated as separate legal entities and to be insured against child abuse improves the ability for child abuse survivors to bring a legal claim for compensation and ensures that there is enough money to pay successful claims.

## What are ‘services to children’?

***‘****Services to children’* means services provided by a non-government entity that is responsible for:

* the supervision of, or
* authority over,
* a child or young person under 18 years old.

This includes the provision of care, education, services or activities for children. It does not include one-off activities, nor incidental or ad hoc contact with children.

## How does this apply to the Sporting Club Grants Program?

Not all projects or activities funded through the Sporting Club Grants Program involve the delivery of services to children. The table below outlines which categories may be within scope and therefore require clubs to be insured against child abuse.

|  |  |
| --- | --- |
| **Category 1: Uniforms and Participation Equipment** | Not in scope. |
| **Category 2: Skill Development** | Only in scope if training/workshop is being delivered to persons under the age of 18, on a recurring basis. |
| **Category 3: Operational Capacity** | Only in scope if there is delivery of services to persons under the age of 18, on a recurring basis. |

## Example Scenarios

**Example 1 – Application submitted under Category 2**

A grant is provided to a football club to deliver diversity training to a group of their coaching staff. The group includes at least one person under the age of 18.

*Example 1 is* ***in scope*** *if the diversity training is conducted over multiple planned sessions (e.g. every Wednesday for four weeks). This is because the project for which the grant is provided (i.e. diversity training course) involves direct supervision and oversight of persons under the age of 18* ***on a regular and planned basis****.*

*Example 1 is* ***not in scope*** *if the training is conducted as a ‘once-off’ or ad hoc basis. In such cases, the club which is receiving the grant is exempt from the insurance against child abuse.*

*Example 1 is also* ***not in scope*** *if the training is conducted over multiple planned sessions but the group receiving training comprises different individuals for each planned session. In such cases, the club which is receiving the grant is exempt from the insurance against child abuse.*

**Example 2 – Application submitted under Category 3**

A grant is provided to a junior netball club to pay for a consultant to prepare a new strategic plan. All registered members of the netball club are under the age of 18.

*Example 2 is* ***not in scope*** *because this project does not involve any form of supervision and oversight of persons under the age of 18.*

**Example 3 – Application submitted under Category 3**

A grant is provided to a karting club to develop and administer a pilot program which invites local school children to sign up and undertake driver training sessions free of charge.

*Example 3 is* ***in scope*** *if the program runs sessions, workshops, camps or other related activities over multiple planned sessions for the same group of children. This is because the activity for which the grant is provided involves direct supervision and oversight of persons under the age of 18* ***on a regular and planned basis****.*

*Example 3 is* ***not in scope*** *if the program runs a ‘one-off’ or ad hoc session, workshop or other related activity. In such cases, the club which is receiving the grant is exempt from the insurance against child abuse.*

*Example 3 is also* ***not in scope*** *if the program runs multiple planned sessions, workshops or other related activities for a different group of children each session. In such cases, the club which is receiving the grant is exempt from the insurance against child abuse.*

***Discretion*** *is required in example 3. For example, if each of the children taking part in the program is accompanied by a parent or guardian for the duration of the planned activities, there* ***may not*** *be a requirement for the club to hold insurance against child abuse. However, it may be difficult to ensure all kids are supervised by their parent or guardian at all times, therefore insurance coverage may be required to fully protect the club which is receiving the grant.*

## What level of insurance is required?

Child abuse insurance must meet certain minimum standards in order to meet the new insurance requirement. The requirements are:

* insurance is preferably held on an ‘occurrence’ basis, although insurance on a ‘claims made’ basis will be acceptable if it is maintained for a period following the end of the contract;
* minimum insured amount of $5 million per claim (or $10 million in the case of insurance for a monetary aggregated amount) unless the funding department determines a higher level is required; and
* exclusions must be agreed by the government department which is providing the grant.

## Applying for a grant

Organisations applying for a grant that involves the provision of services to children will be required to:

* be an incorporated separate legal entity that can be sued in child abuse proceedings (auspice arrangements cannot be used in these instances); and
* provide written advice from their insurance provider about the premium and excess (or deductible) that covers the organisation against child abuse.
* Please be aware, that auspice arrangements cannot be used in projects or activities seeking funding to deliver services to persons under the age of 18.

**Important to note:** If an organisation is applying for a grant to engage the services of another provider to deliver services to children, the organisation applying for the grant must ensure that the provider delivering services are a separate legal entity that can be sued in child abuse proceedings and have appropriate insurance to cover them against child abuse.

## Requirement to comply with the Child Safe Standards

Non-government entities that provide services to children or young people under 18 must also comply with the Child Safe Standards.

Compliance entails having in place appropriate recruitment and screening practices, a Code of Conduct, staff awareness and training delivery and providing a means for children to report concerns, among others.

Where appropriate, consideration should be given to the creation of due diligence checks around compliance with the Child Safe Standards and Code of Conduct for grant programs and one-off grants.

## How to find our more information

The [Department of Justice and Community Safety website](https://www.justice.vic.gov.au/safer-communities/protecting-children-and-families/organisations-providing-services-to-children-new) <https://www.justice.vic.gov.au/safer-communities/protecting-children-and-families/organisations-providing-services-to-children-new>.

The [Department of Jobs, Precincts and Region’s Commitment to Child Safe Standards and Code of Conduct is publicly available on its external website](https://djpr.vic.gov.au/about-us/overview/policy-framework/child-safety-at-djpr) <https://djpr.vic.gov.au/about-us/overview/policy-framework/child-safety-at-djpr>.

The [Commission for Children and Young People’s website](https://ccyp.vic.gov.au/) < https://ccyp.vic.gov.au/> has further information about Child Safe Standards and the Code of Conduct.