Ongoing Fit and Proper Assessment of Persons with Management or Control (PMCs)

1. **Purpose**

To ensure that all individuals who have authority, responsibility, or significant influence over the planning, direction, or control of the education and care service (PMCs) are, and continue to be, fit and proper persons under the National Law and Family Assistance Law.

2. **Scope**

This policy applies to the Approved Provider and all current and prospective Persons with Management or Control (PMCs), including executive officers, board members, directors, partners, and senior managers with decision-making authority.

3. **Policy Statement**

Continuous Compliance. Fitness and propriety is an ongoing obligation, not a one-off onboarding check.

Dual Regulatory Alignment. All PMCs must meet both the National Quality Framework (NQF) suitability requirements (administered via ACECQA / the state Regulatory Authority, such as the Victorian Department of Education) and Child Care Subsidy (CCS) fit and proper criteria (administered via PRODA and the Child Care Subsidy System).

Immediate Disclosure. PMCs are obligated to immediately disclose any change in their circumstances that may affect their fitness and propriety.

Procedure: Monitoring and Verifying Ongoing Fitness and Propriety

1. **Register and Documentation Maintenance**

PMC Register. The Approved Provider maintains a centralised PMC Compliance Register listing all current PMCs, their roles, appointment dates, PRODA Registration IDs, and expiry dates for background checks.

Required Evidence. For every current PMC, the service must hold current, verified copies of:

Valid Working with Children Check (WWCC) (or state/territory equivalent) linked to the organisation.

National Police History Check (reviewed periodically per organisational risk schedule, typically every 3 years, or upon any change in status).

Australian Securities and Investments Commission (ASIC) / Bankruptcy Search (National Personal Insolvency Index) confirming they are not an undischarged bankrupt or disqualified from managing corporations.

Mandatory Child Safety Training certificates completed within prescribed timeframes.

2. **Scheduled Annual & Trigger-Based Reviews**

Annual Fit and Proper Audit. Every 12 months (or at the Annual General Meeting for boards/committees), every current PMC must complete and sign an Annual Fit and Proper Statutory Declaration / Self-Assessment. This declaration confirms no new:

Criminal charges, convictions, or findings of guilt.

Insolvency, bankruptcy, or unsatisfied Commonwealth debts.

Adverse compliance actions, suspensions, or cancellations under the National Law or Family Assistance Law.

Unmanaged conflicts of interest.

Quarterly Automated & Expiry Checks. An appointed compliance officer conducts quarterly audits of the PMC Register to verify WWCC validity via the state portal (e.g., Service Victoria) and ensure PRODA and NQA IT System details match current governance structures.

Governance Change Reviews. Whenever a staff member or board member is promoted or delegated financial/operational authority, their role is assessed against the ACECQA PMC Definition prior to granting authority.

3. **Self-Disclosure & Escalation Protocol**

Immediate Reporting. A PMC must notify the Approved Provider (or Board Chair) in writing within 24 hours if they are charged with a relevant offence, have their WWCC suspended/revoked, become insolvent, or face regulatory action.

Risk Management & Suspension. Upon receiving a disclosure or identifying a discrepancy during an audit, the Approved Provider will immediately suspend the individual's management, financial, and operational control (including revoking PRODA/CCSS access) pending investigation.

4. **Mandatory Regulatory Notifications**

If a check or disclosure reveals a change, the Approved Provider must submit formal notifications within strict statutory deadlines:

Within 7 Days (Loss of Fit and Proper Status). If a PMC is no longer fit and proper for any reason, notify both the State Regulatory Authority (via the NQA IT System) and the Australian Department of Education (via CCSS/PRODA) within 7 days.

Within 14 Days (Appointments or Removals). Notify the State Regulatory Authority and Department of Education within 14 days of appointing a new PMC or removing an existing PMC (or within 14 days of becoming aware of the change).

5. **Record Keeping**

All fit and proper declarations, background check verification logs, and regulatory notification receipts must be stored securely in a restricted-access governance file for a minimum of 7 years (or as required under National Regulations and Family Assistance Law).

Relevant Legislation & References

Education and Care Services National Law Act 2010 (Sections 12, 13, 14, 173, 174)

Education and Care Services National Regulations (Regulation 174)

A New Tax System (Family Assistance) (Administration) Act 1999 & Child Care Provider Handbook

National Quality Standard (NQS) – Quality Area 7: Governance and Leadership