

GLEN EIRA CITY COUNCIL

CHILDCARE DISCUSSION PAPER

OCTOBER 2023

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Acknowledgment of Traditional Owners

Glen Eira City Council acknowledges the Boonwurrung/ Bunurong and Wurundjeri Woi Wurrung peoples of the Eastern Kulin Nation as Traditional Owners and Custodians, and pays respect to their Elders past, present and emerging. We acknowledge and uphold Traditional Owners continuing relationship to land and waterways. Council extends its respect to all Aboriginal and Torres Strait Islander peoples.

Council honours the rich histories and cultures of First Nations peoples and recognises and values the important contribution of Aboriginal and Torres Strait Islander peoples in enriching our community.

Purpose of Discussion Paper

Council has made a preliminary decision to close its three Early Learning Centres in Caulfield, Carnegie and Murrumbeena. Consultation and feedback from staff, directly affected families and the broader community has now commenced.

This Discussion Paper aims to provide information about the recent strategic service review conducted for Council's three Early Learning Centres located in Caulfield, Carnegie and Murrumbeena.

The review aimed to better understand how these services could operate sustainably into the future in the context of ageing infrastructure, financial losses, the growing childcare market in the municipality, and the current and emerging State and Commonwealth early years reform agendas.

The three services that were part of the strategic service review were:

Centre	Address	Childcare Places
Caulfield Early Learning Centre	6 Lirrewa Grove, Caulfield (Glen Eira City Council Town Hall site)	43
Carnegie Early Learning Centre	17 Truganini Road, Carnegie	31
Murrumbeena Early Learning Centre	105 Murrumbeena Road, Murrumbeena	41

Note: Council owns a fourth Early Learning Centre located at 70 E Boundary Road, Bentleigh East, and this is leased to a not-for-profit provider, East Bentleigh Community Childcare Inc. This service and facility did not form part of the strategic service review as the childcare services delivered from this facility are not directly provided by Council.

This Discussion Paper outlines the key activities of the strategic service review, and the considerations of Council in making a preliminary decision to potentially exit the services in December 2023. It can be used to inform and assist staff, families, and community in providing their feedback to Council during the consultation and engagement period.

All feedback provided during the consultation and engagement period will be genuinely considered by Council before, and as part of, the process to consider a final decision about the future of the three Early Learning Centres owned and operated by Glen Eira City Council.

Service Review Key Findings Summary

In summary, the key findings of the Childcare Strategic Service Review are outlined in the table on the following page.

<p>Glen Eira City Council owns and operates three small Early Learning Centres that are at the end of their useful life because they do not meet contemporary building and service standards, have operated at an average of 81% utilisation over the last six years and cost Council an <i>average</i> of \$543K per year in the last five years.</p>	
<p>Whilst these three small services have all been rated as Exceeding National Quality Standards, the buildings are old and no longer meet community expectations or current design standards for modern childcare services.</p> <p>The consequence of these factors is declining utilisation of Council's three centres and increasing financial losses.</p> <p>The three centres are not equipped with modern contemporary services that meet the expectations of many prospective families such as adequate kitchen and laundry facilities. In addition, the lack of flexible spaces does not allow for a broad range of educational and play opportunities, including contemporary spaces for staff to rest, eat, plan and document their work.</p>	<p>The three centres have small, compartmentalised rooms that lack flexibility and lack the economies of scale to make them financially viable.</p> <p>Financial analysis shows these centres will operate at a loss of approximately \$3.1M over the next five years if they operate at 90% utilisation over that period of time. Lower overall utilisation would only increase that loss.</p> <p>An analysis shows that Council would be amongst the most expensive childcare services in the municipality if Council charged fees that resulted in no further financial loss for its three services.</p>
<p>These three centres were established at a time when opportunities for families to access childcare services were limited. Consequently, Glen Eira City Council responded by establishing and running local Early Learning Centres.</p>	<p>The childcare sector has grown rapidly in Glen Eira in recent years. The number of places available across the municipality has almost doubled since 2010 and increased by 44.51% per cent since 2019 – an increase from 3,966 places to 5,731 places.</p>
<p>There are now 58 Early Learning Centres providing childcare services in the Glen Eira municipality.</p> <p>Glen Eira City Council's three owned and operated Early Learning Centres currently provide 115 places, or 2% of the total number of places available across the municipality.</p> <p>There is growth forecast with nine new Early Learning Centres in the planning phase which have the capacity to provide 919 more places.</p>	<p>Whilst the supply of services has grown rapidly over the past decade, the population of Glen Eira children in the main age bracket for childcare use (i.e. 0 to 4 years old) reduced by almost 10% between 2016 and 2021.</p> <p><i>(Source: ABS Census of Population and Housing 2016 and 2021)</i></p>
<p>Other not for profit and private Early Learning Centres constructed over the past decade are larger overall, with flexible spaces, commercial cooking facilities for meal preparation and laundry facilities. These centres typically cater for over 100 children indicating that larger facilities are more economically viable.</p>	<p>The municipality is serviced by a range of providers that are geographically spread across the municipality. Current service mapping shows that larger more modern centres have also been established within close proximity and in competition with the three small Council operated Early Learning Centres.</p>
<p>The service review concluded there is now a strong supply of childcare places in the Glen Eira municipality and there is a high degree of confidence that this supply will meet current and future demand for childcare places across the municipality.</p>	

Childcare Strategic Service Review:

Why a Strategic Service Review of Council's Early Learning Centres?

It is an important responsibility of Council to regularly review the services it provides to the community. The Childcare Strategic Service Review aimed to better understand how these services could operate sustainably into the future in the context of ageing infrastructure, financial losses, the growing childcare market in the municipality, and the current and emerging State and Commonwealth early years reform agendas.

What Did the Strategic Service Review Investigate?

The service review investigated key themes relating to:

- Policy and legislation for the childcare sector at both a state and national level.
- Local childcare services in the municipality and capacity to meet future demand, including any growth in the number of available childcare places over the past five years.
- An analysis of the financial viability of Council-operated Early Learning Centres, including current service delivery costs and the financial cost to Council now, and into the future.
- An analysis of the opportunities and challenges relating to the existing facilities and cost implications for essential upgrades or facility replacement into the future to meet contemporary standards.
- Council's role and responsibility as a local government and a service provider in a competitive market.
- An assessment of possible options for future service delivery, including:
 - i. a high-level cost benefit analysis for different possible options
 - ii. identification of any organisational risks
 - iii. resource and asset considerations for different possible options.

Council's Municipal Role for Children and Families in Glen Eira

Glen Eira City Council currently has a broad role in relation to access and participation in community life for children and families. Council's current roles includes:

- *Planning, facilitating and advocating* for children and families at a whole of municipal level for services and amenities such as leading the municipal Kindergarten Infrastructure and Services Plan in response to the Victorian Government's Best Start Best Life (kindergarten) reforms.
- *Building, improving, and maintaining* purpose-built infrastructure for children and early years services ranging from playgrounds to facilities such as kindergarten, maternal and child health, occasional care, playgroups, toy libraries and childcare services.
- *Partnering* with other providers to deliver quality early years services in Council buildings such as Glen Education, kindergarten committees, the East Bentleigh Childcare Committee, toy library and playgroup committees.
- *Directly delivering* early years services such as maternal and child health, childhood immunisation, occasional care, family day care, library services, sports and recreation programs and childcare including kindergarten programs in the Early Learning Centres.
- *Working to support and build the capacity* of all early years service providers to deliver quality, accessible services across the municipality through activities such as providing local service directories, the Kindergarten Central Registration Scheme, and support to non-Council early years services and professionals through early years networks and training initiatives. Community development funding is provided through the Community Grants Program.

The diagram on the next page provides an overview of how Council supports children and families.

HOW COUNCIL SUPPORTS CHILDREN AND FAMILIES IN GLEN EIRA

EARLY YEARS EDUCATION AND CARE	EARLY YEARS HEALTH AND FAMILY SUPPORT	ACTIVITIES, PLAY AND LEARNING OPPORTUNITIES	FACILITIES AND FUNDING FOR NOT-FOR-PROFIT ORGANISATIONS
<p>Early Learning Centres 115 places at three Council-operated centres with funded kindergarten programs</p> <p>Family Day Care 17 educators provide programs in home settings for 118 children</p> <p>Occasional Care 19 places at Glen Eira Sports and Aquatic Centre and 19 places at Carnegie Children's Multipurpose Centre</p> <p>Kindergarten Central Registration A one-stop-shop to register for 3 and 4 year old kindergarten at 15 community kindergartens in Glen Eira</p> <p>Professional development programs To build networks and capacity among early years educators and provide superior support to children and families.</p>	<p>Immunisation In line with the National Immunisation Program, free vaccinations are available to children aged from six weeks to four years at six locations in Glen Eira. More than 7,000 vaccinations are provided each year.</p> <p>Maternal and Child Health Provides free universal primary health services to children from birth to school age at seven centres and at early years services. More than 11,600 key age and stage consultations are provided each year.</p> <p>Parenting Support <i>New Parent Groups</i> offered at seven Maternal and Child Health Centres provide families with practical skills, resources and opportunities to connect</p> <p><i>Parent Education Information Sessions</i> held weekly (online and face-to-face) on topics such as nutrition and settling</p> <p><i>Supported Playgroups</i> – three groups of 10 families, facilitated by qualified early childhood educators each term</p> <p><i>Additional in-home support</i> – 20 families each year receive additional support to help build links to services and the community.</p>	<p>Parks and Playgrounds 47 sites including nature-focused open spaces, all abilities playgrounds, active play spaces with basketball courts, netball rings and water play features as well as BBQs and places to gather</p> <p>Glen Eira Sports and Aquatic Centre Children's programs include Learn to Swim, Aqua Play, Ready Steady Go and Mums and Bubs</p> <p>Toy Libraries Carnegie and Moorleigh Village</p> <p>Glen Eira Libraries contain 28,000 children's items across four library sites. Children's programs include story time and baby time (60,000 visits each year) and weekly reading, literacy and craft programs as well as children's book readings</p> <p>Arts and Culture offerings include 10 free family-friendly festivals and community events each year as well as a wide range of children's activities in the Glen Eira Council Gallery.</p>	<p>Community Grants Program Funding for community groups that support children and families, such as toy libraries, playgroups, kindergartens and mother and baby support programs. Up to \$3,000 in Community Strengthening Grants and \$10,000 for Partnership and Events Grants are available</p> <p>Facilities to support community playgroups Available at Moorleigh Village and Glen Huntly Maternal and Child Health Centres, while parties can be held at Carnegie Children's Multipurpose Centre and the multipurpose room and playground at the Murrumbeena Community Hub</p> <p>Council-owned kindergartens 10 sites are leased to not-for-profit kindergarten providers</p> <p>Council-owned childcare site Leased to not- for-profit provider, East Bentleigh Child Care Centre, providing 37 places</p>

Council is a municipal leader, planner and advocate for all children and families in Glen Eira

By planning and advocating for all Glen Eira children to have access to quality kindergarten facilities as well as partnering with – and advocating to – other levels of government to fund programs, services and facilities, Council is committing to ensuring all children and families in Glen Eira thrive.

The childcare sector is typically described as comprising four segments:

- *Long day care* (often called Early Learning Centres) is primarily aimed at 0–6-year-old children whose families are working or studying.
- *Occasional care* helps parents with less formal needs, such as requiring care for two hours during an appointment.
- *Family day care* is based in a carer’s home with a very small number of other children.
- *In-home care* is when the carer cares for your child in your own home (e.g. nanny, au pair).

Kindergarten is an early learning program provided for children prior to school and can operate as a separate stand-alone service or be integrated into a childcare service. The Victorian Government provides a subsidy to attend an eligible early learning program at three and four years of age. From 2023, Free Kinder (a policy commitment from the Victorian Government) is available for all Victorian 3 and 4-year-old children at participating services.

Responsibilities of Glen Eira Council as a Local Government and Early Years Service Provider

Local Government Act

All Victorian councils have responsibilities as outlined in the Local Government Act 2020. The Act outlines the role of Council, including the responsibility to give priority to *“achieving the best outcomes for the municipal community including future generations...the ongoing financial viability of the Council is to be ensured including...regional, state and national plans and policies are to be taken into account in strategic planning and decision making”*.

Council’s CEO is also required to notify staff of any proposed organisational structure change under the Local Government Act.

Approved Provider Children’s Services

Australia's system for regulating early childhood education and care is the National Quality Framework. As an Approved Provider of children’s services, Council is bound to abide by the National Law and Regulations and the National Quality Framework. The rating system focusses on seven quality areas that are important to outcomes for children.

Services are rated against the National Quality Framework through a combined process of quality assurance and regulatory compliance. Ratings must be displayed at the service and can be searched online.

The ratings are:

- Significant improvement required
- Working towards the National Quality Standard (NQS)
- Meeting the NQS
- Exceeding the NQS
- Excellent

All three of Council’s owned and operated Early Learning Centres have been rated as Exceeding National Quality Standards.

To be eligible to provide Commonwealth Childcare Subsidy for families enrolled in its childcare services, Council also has a funding and service agreement with the Commonwealth Government.

Kindergarten Provider

Because Council offers State-funded kindergarten programs for 3-and 4-year-old children enrolled in its Early Learning Centres, it also has a funding and service agreement with the Victorian Government Department of Education.

Employer

As an employer, Council has responsibilities outlined in a range of legislation, including the Fair Work Act 2009, Occupational Health and Safety Act 2004 and Equal Opportunity Act 2010. The terms and conditions for its employees are outlined in the Glen Eira City Council Enterprise Agreement 2022 (Agreement). There are specific requirements in the Agreement relating to how staff are informed, consulted, and supported when changes are proposed to their employment at Council.

Government Reform Agenda for Early Years

The Commonwealth Child Care Subsidy provides a fee reduction for eligible families with children enrolled in approved childcare services including family day care, childcare, outside school hours care and some occasional care services. Recent reforms mean that more families are eligible for a higher level of subsidy based on their financial circumstances.

The Commonwealth is also in the process of developing an Early Years Strategy with the aim to create a more integrated, holistic approach to the early years' service system to ensure children aged five years and below have the best start at life during their critical early years of development.

Victorian Government Early Years Reforms

The Best Start Best Life reform is referred to by the Victorian Government as *the "once-in-a-generation kindergarten reform"* and is an ambitious program to overhaul the state's 3- and 4-year-old kindergarten service system. In 2023, 3-year-old children are eligible for 15 hours of free kindergarten and in a staged roll-out, 4-year-old children will be eligible for 30 hours of free kindergarten by 2029.

The proposed roll-out of this reform for Glen Eira children includes children known to child protection and Aboriginal children who will be eligible for 30 hours of 'Pre-Prep' each week from 2026; and children whose families hold Commonwealth concession cards will be eligible from 2028. It is the Victorian Government's policy that all children in Glen Eira will be able to access 'Pre-Prep' from 2030, starting at 16 to 20 hours each week; and from 2032, all children across Victoria will be eligible for 30 hours of 'Pre-Prep' each week.

The Victorian Government has also established a Building Blocks Grants program where Council could apply for available infrastructure grants under various categories to assist in the cost of upgrading or building new facilities. Funding is available for projects that increase capacity for additional kindergarten places where the need can be demonstrated through the local Kindergarten Infrastructure and Services Plan.

Council recently accepted an \$82,000 grant from the Victorian Government to work with Department of Education to plan for the implementation of the reforms. This will include an assessment of expected future demand and how this can be met through Early Learning Centres and stand-alone kindergartens in the municipality.

State Funded Kindergarten in Glen Eira

Across the municipality funded kindergarten programs are provided in both private and not-for-profit Early Learning Centres and in stand-alone kindergartens. There are 19 stand-alone kindergartens operating in Glen Eira.

Glen Eira City Council provides 43 funded kindergarten places within its three owned and operated Early Learning Centres. Council also owns 10 stand-alone kindergarten facilities that are operated by a not-for profit Early Years Manager - Glen Education, and by independent Committees of Management. 1043 funded kindergarten places were provided in Council's 10 stand-alone kindergartens in 2023.

Early data about the Victorian Government's new kindergarten reforms indicates that these reforms will drive up demand for stand-alone kindergarten programs. This demand will be driven by the kindergarten programs potentially being free. As families increasingly engage

in flexible work arrangements, this service model can be both logistically and financially more attractive for families with kindergarten aged children.

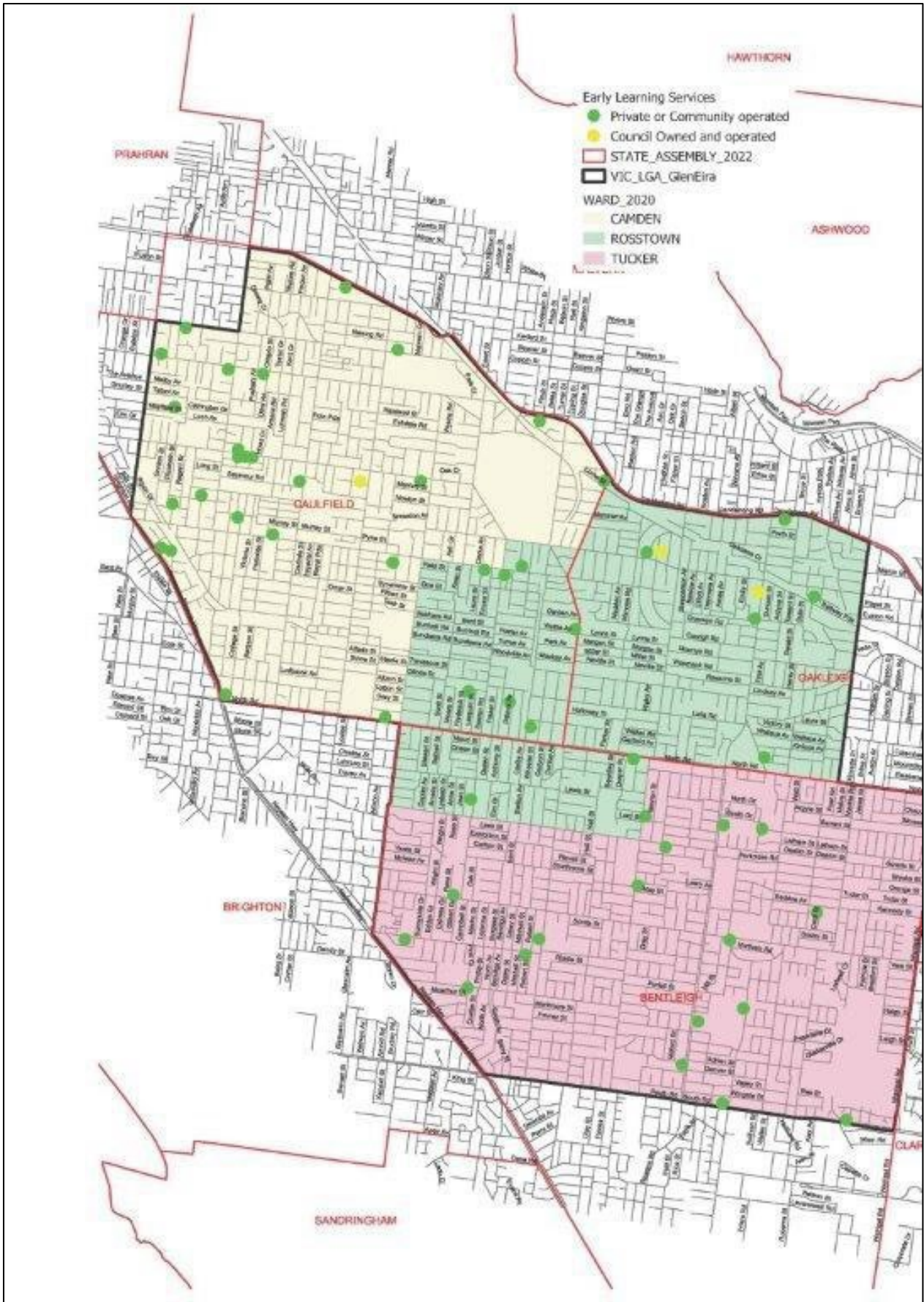
What did the Strategic Service Review Find?

At the time of writing this Discussion Paper, there are 58 Early Learning Centres in Glen Eira (including Council's the three operated by Council) offering 5,731 places in total. Of these 58, at the time of the service review, 29 services also offered kindergarten for 3-and 4-year-old children. Summary of the childcare operators include:

- the large social enterprise, Goodstart Early Learning, provides approximately seven per cent of places.
- smaller for-profit and not-for-profit independent centres provide around 43 per cent of places.
- large commercial groups such as Guardian Early Learning Group and G8 Education represent around 20 per cent of places.
- religious affiliated childcare services represent around 25 per cent of places.

Council's three owned and operated Early Learning Centres provide around two per cent of the total number of childcare places available across the municipality.

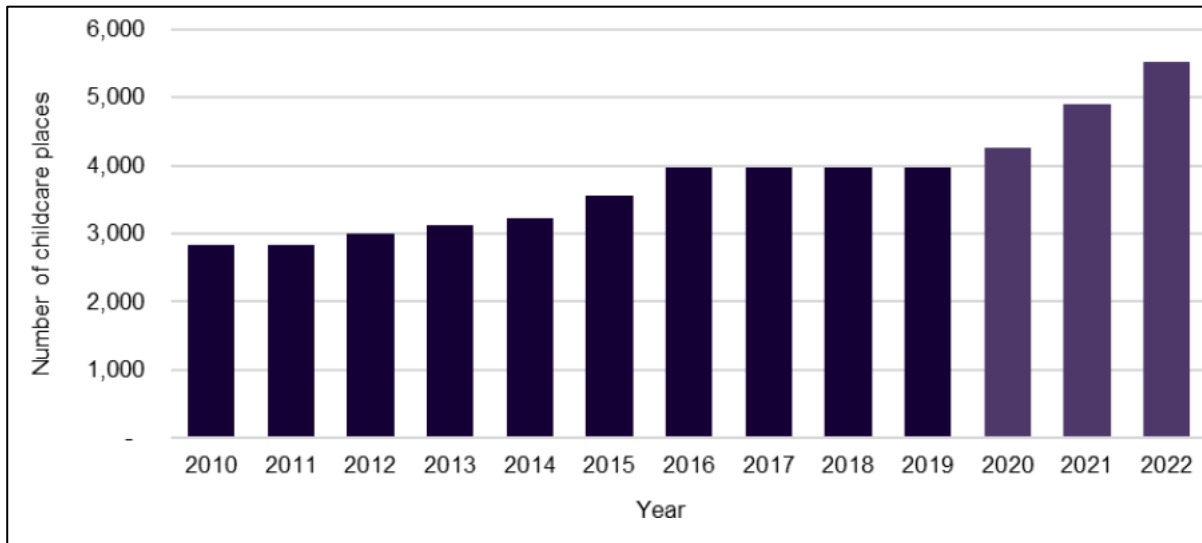
Childcare centres are spread throughout the municipality, as shown in the map on the following page.



Substantial Growth in Early Learning Centres and Childcare Places Across the Municipality

The local childcare sector has grown rapidly in recent years. The number of childcare places available in the municipality has almost doubled since 2010. Between 2019 and 2022 the number of childcare places increased by 39% taking the total number of places from 3966 to 5512 places in 2022.

The graph below sourced from the Australian Children’s Education and Care Quality Authority shows the growth in the number of places available across the municipality from 2019 to 2022.



In 2023 there are now 58 centres providing 5,731 childcare places.

The number of childcare places across the municipality will continue to grow with a nine early learning centres in the planning phase which have the capacity to provide a further 919 places. As of August 2023, seven of the nine proposed new centres currently have planning permits with Council and should these projects proceed, they will add 777 places. Two centres do not currently have planning permits, however, should these two projects progress to planning permit stage and are completed, they would provide a further 142 places.

Current and Future Demand for Childcare Services Across the Municipality

Increased childcare supply and reduced eligible population

Whilst the supply of services has grown rapidly over the past decade, recent ABS Census data shows the population of children in the municipality in the main age range associated with childcare services (0 to 4 years old) reduced by almost 10 per cent between 2016 and 2021. This population downturn contrasts with substantial growth in the number of childcare places over the same period.

Glen Eira Municipality				
	Persons in 2016	Persons in 2021	Change since 2016	% Of Total Glen Eira Population in 2021
<i>Babies and preschoolers (0-4years)</i>	8,601	7,772	-829	5.2%

Source: <https://profile.id.com.au/glen-eira/service-age-groups>

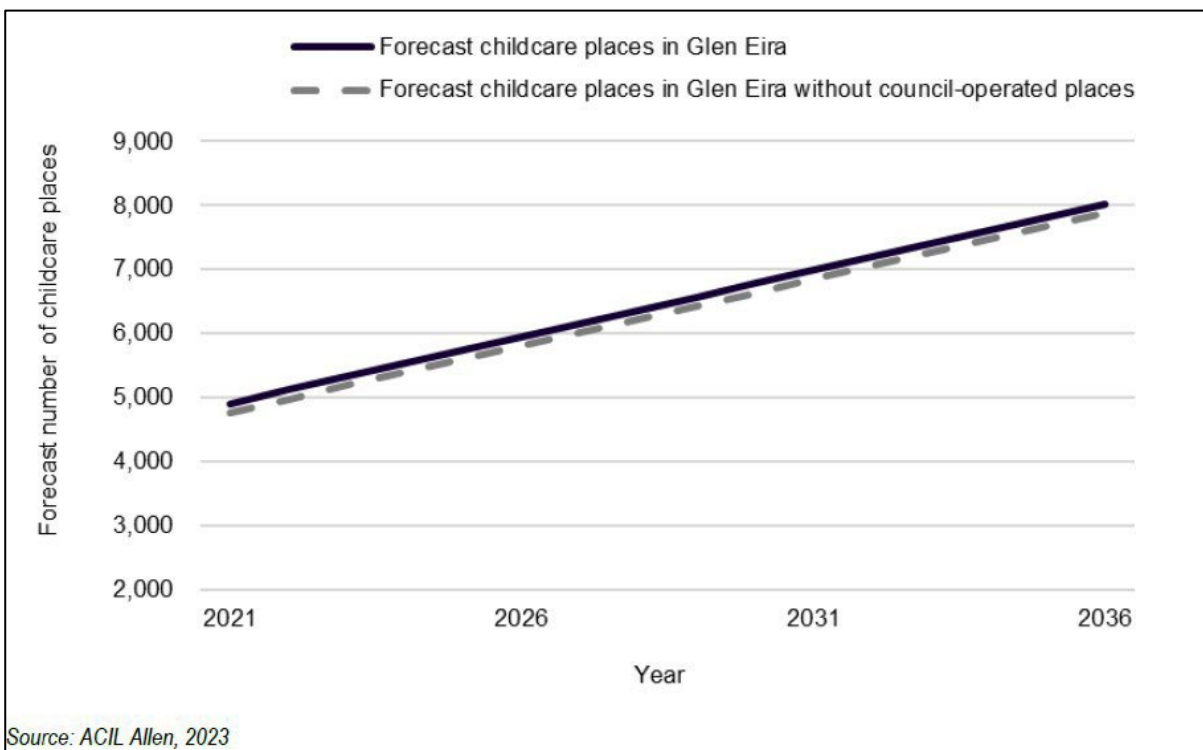
Future growth in eligible population

Despite the current reduction, the population of children from 0-4 years of age is forecast to grow from 2021 to 2036. By 2036, the demographic forecast organisation *forecast.id* projects that the population of 0-4-year-old children in Glen Eira will be 3,100 children higher in 2036 relative to 2021.

This represents 207 children in this age group being cumulatively added per annum. Assuming that not all children attend on a full-time basis, there would be an additional 97 children seeking childcare per annum cumulatively in the 15 years from 2021 to 2036.

In 2021, there were an estimated 1.34 childcare places available for each child aged 0-4 years of age across Glen Eira. Looking forward to 2036 and using predicted population modelling, projections still show there would be an estimated 1.57 places available for each child aged 0-4, even without the inclusion of Council's current 115 childcare places. The modelling is based on adding an additional 97 children and an assumed additional 208 places each year to represent market growth and projected population changes across the municipality.

The service review concluded that based on the number of childcare places available now and into the future, there is a high level of confidence there will be sufficient childcare places available across the municipality, to meet the needs of children and families in the community.



Childcare vacancies and how well each childcare place is utilised by individual services, are subject to service offerings and business decisions by operators of the centres. The level of utilisation of available licensed places is a critical factor in service sustainability as utilisation is linked to the income received to operate the service.

Family choice also plays a part in how ‘full’ a service might be for particular age cohorts. For example, a family might seek out a particular day, time and age cohort and there may not be a vacancy at a particular centre and at the day or time they prefer. In these circumstances, families might apply to a number of services at the same time, seeking out the availability of their particular needs, or place their name on the preferred service waiting list until a vacancy occurs that meets their preference.

At the time of the review, almost all services across the municipality were advertising vacancies in their services, and those that were not actively advertising vacancies, were still encouraging enrolments.

Many new services are larger and more modern and have also been established within proximity; and in competition with, the three smaller Council operated Early Learning Centres. The table below lists the Early Learning Centres operating within 2 kilometres of Council’s centres along with their accreditation ratings.

Council’s Early Learning Centres	Other Early Learning Centres within 2km radius
Murrumbeena Early Learning Centre	<ol style="list-style-type: none"> 1. Carnegie Early Learning Centre (Exceeding NQS) 2. Headland Montessori (Meeting NQS) 3. Headstart Early Learning Centre Carnegie (Meeting NQS) 4. Inspire Early Learning Journey (Provisional - Not Yet Assessed) 5. Kids Club Murrumbeena (Exceeding NQS) 6. Papilio Early Learning Murrumbeena (Meeting NQS)
Carnegie Early Learning Centre	<ol style="list-style-type: none"> 1. Buddies Grange Road (Meeting NQS) 2. Goodstart Early Learning Caulfield (Meeting NQS) 3. Headland Montessori (Meeting NQS) 4. Headstart Early Learning Centre Carnegie (Meeting NQS) 5. Inspire Early Learning Journey (Provisional - Not Yet Assessed) 6. Kids Club Murrumbeena (Exceeding NQS) 7. Monash Caulfield Child Care (Exceeding NQS) 8. Murrumbeena Early Learning Centre (Exceeding NQS) 9. Papilio Early Learning Murrumbeena (Meeting NQS) 10. Pinnacle Early Learning Glen Huntly (Provisional - Not Yet Assessed) 11. Roseberry House Early Learning Centre (Meeting NQS)
Caulfield Early Learning Centre	<ol style="list-style-type: none"> 1. Abeles Liberman Preschool (Exceeding NQS) 2. Adass Israel Preschool (Exceeding NQS) 3. Bright Horizons Australia Childcare Elsternwick (Exceeding NQS) 4. Chabad Glen Eira Creche (Exceeding NQS) 5. Chaya’s Creche (Exceeding NQS) 6. Gilly’s Early Learning Centre (Exceeding NQS) 7. Goodstart Early Learning - Caulfield (Provisional - Not Yet Assessed) 8. Guardian Early Learning - Caulfield (Meeting NQS) 9. Guardian Early Learning - Elsternwick (Exceeding NQS) 10. Judy Klein’s Creche (Exceeding NQS) 11. La Petite Ecole - Inkerman Road (Working Towards NQS) 12. Lamdeni School Inc (Exceeding NQS) 13. Little Patch ELC (Exceeding NQS) 14. Melbourne Montessori School P/L (Provisional - Not Yet Assessed) 15. Elsternwick Montessori Academy (Provisional - Not Assessed Yet) 16. Pinnacle Early Learning Centres Glen Huntly (Provisional - Not Yet Assessed) 17. Roseberry House Early Learning Centre (Meeting NQS) 18. Sholem Aleichem Preschool Education Centre (Exceeding NQS) 19. Szalmuk Family Early Learning Centre (Exceeding NQS) 20. Your Place Early Learning Centre (Meeting NQS)

Support for Vulnerable Children and Families

Wherever children and families attend a Commonwealth approved childcare service, they are able to access specific support if they are experiencing vulnerability. Those children who are currently eligible for specific support whilst attending Council's Early Learning Centres would have the same opportunity to access support at other Early Learning Centres within the municipality.

Commonwealth Child Wellbeing Subsidy

Specific support for children and families who are at risk of serious abuse or neglect can be obtained through the Commonwealth Child Wellbeing Subsidy. Application for this additional funding to support childcare fee costs for families, is made on behalf of the family or child by Approved Provider of the childcare service. To access this funding, families must be eligible for the Commonwealth Child Care Subsidy. Those children who are currently eligible for such services whilst attending Council's Early Learning Centres would have the same opportunity to access support at other Early Learning Centres within the municipality.

Commonwealth Inclusion Support Program

Childcare services can also seek support to successfully build their staff's capacity and capability to include children with additional needs into their services so that all children have genuine opportunities to access, participate and achieve positive learning outcomes together at the service. Inclusion Support Facilitators work with services to create solutions that address barriers to inclusion. This can include access to expert advice, resources and funds to include an additional educator to support all children in the classroom to maximise inclusion.

Victorian Kindergarten Inclusion Support

For children accessing State-funded kindergarten in a childcare service, support is also available to assist kindergarten staff to access expert advice, build their knowledge and skills around including children with a disability, developmental delay, or complex medical needs. An agreed funding partnership exists between the State and Commonwealth Governments to maximise the assistance and impact of both types of support for the benefit of the child, their peers and staff working in the kindergarten-childcare service.

Supporting Cultural Diversity in Childcare Services

There are a number of Early Learning Centres across Glen Eira that offer services and support for families from culturally diverse backgrounds. For example, Glen Eira is home to a large population of people of the Jewish faith. A large proportion of the childcare places offered in the municipality have Jewish affiliations. This suggests that the childcare market across the municipality is capable of identifying and responding to cultural diversity needs that reflect their communities.

Information about Council's Early Learning Centres

Council's three centres were established at a time when opportunities for families to access childcare services were limited. Consequently, Glen Eira City Council responded by establishing and running local Early Learning Centres. This scenario has changed significantly since Council's initial reason for establishing these services.

As of July 2023, 162 children from 148 families were enrolled in the 115 childcare places offered across the three Council-operated centres. Of these, 37 children were enrolled in the funded kindergarten programs delivered across the three centres. The three Council-operated centres are staffed by a total of 37 permanent staff and 14 casual educators. All three services have been rated as Exceeding National Quality Standards.

The review identified that a key issue for Council is the quality and amenity of the buildings in which Council-operated services are provided. The buildings are older in style with smaller, compartmentalised spaces lacking flexibility. Assessment of the buildings also indicates that they do not meet current design standards.

In contrast, newer centres built over the past decade are larger overall, with spaces that can be used flexibly, contain commercial level cooking facilities and adequate laundry facilities. These centres typically cater for over 100 children, indicating that larger facilities are more economically viable.

Murrumbeena Early Learning Centre



Murrumbeena Early Learning Centre was established in 1994. It is housed in a single storey building that was originally used as a house. It is co-located with maternal and child health and includes a community room. It is in the Rosstown Ward and sits on Murrumbeena Road, approximately 180 metres from Murrumbeena station. Operating hours are Monday to Friday between 7:30am and 6pm, other than on public holidays and over Christmas and New Year. The centre provides:

- Education and childcare programs for children aged from 6 months
- Funded 3 and 4-year-old kindergarten program, delivered by a degree-qualified early childhood teacher.

The four children's rooms are licenced for 48 places, though operate at 41 places due to space configuration and to operate as efficiently as possible in terms of the staffing cost associated with educator to child ratios. Murrumbeena Early Learning Centre does not provide cooked meals or nappies for children. It has kitchen facilities, however, these are insufficient to provide meals for the number of children attending the service.

Carnegie Early Learning Centre



Carnegie Early Learning Centre is a single storey building constructed in 1985. It was established as a centre in 2006. It is also in the Rosstown Ward and sits within a suburban street, near the main shopping strip on Koornang Road, and is approximately 330 metres from Carnegie station and 200 metres from Carnegie Primary School where Carnegie Kindergarten is co-located. Operating hours are Monday to Friday between 7:30am and 6pm other than on public holidays and over Christmas and New Year. The centre provides:

- Education and childcare programs for children aged from 6 months.
- Funded 3 and 4-year-old kindergarten program, delivered by a degree-qualified early childhood teacher.

The small centre is licensed for 35 places, though operates at 31 places due to space configuration and to operate as efficiently as possible in terms of the staffing cost associated with educator to child ratios. Carnegie Early Learning Centre does not provide cooked meals or nappies for children. It has kitchen facilities, however, these are insufficient to provide meals for the number of children attending the service.

Caulfield Early Learning Centre



Caulfield Early Learning Centre is a pair of interconnected dwellings constructed around the 1920s. It was established as a centre in 1994. It is in the Camden Ward and sits within a suburban street, approximately 250 metres from the Caulfield Library and Glen Eira City Council Town Hall. The centre provides:

- Education and childcare programs for children aged from 6 months.
- Funded 3 and 4-year-old kindergarten program, delivered by a degree-qualified early childhood teacher.

The centre is licensed for 57 places, though operates at 43 places with space for maternal and child health offices and service provision. The centre does not provide cooked meals or nappies for children. It has kitchen facilities, however, these are insufficient to provide meals for the number of children attending the service.

Challenges For Council's Early Learning Centres

Infrastructure Challenges

The review found that the Early Learning Centre buildings are old and no longer meet community expectations or current design standards for modern childcare services. The three centres have small, compartmentalised rooms that lack flexibility and the economies of scale to make them financially viable.

The three centres are not equipped for modern contemporary services that meet the expectations of many prospective families such as the adequate kitchen and laundry facilities and flexibility of service spaces, including contemporary space for staff to rest, eat, plan, and document their work. In addition, the lack of flexible spaces does not enable the provision of a broad range of educational and play opportunities that families now expect.

Financial Challenges

For the 2023-24 budget, Council approved the fees for its Early Learning Centres at \$150/day for 0–3-year-old children and \$142/day for 3–5-year-old children. This was a 2.7 per cent and 2.9 per cent increase from the 2022-23 fees approved by Council for the two age groups. These fees were approved as part of the income expected across the three

centres based on 90 per cent utilisation across the budget year. The higher rate for younger children reflects the increased staffing costs for this age group due to a higher legislated staff:child ratio.

In 2022-23 the three Early Learning Centres operated at a loss of \$580,784. This is based on an assumed utilisation level of 90 per cent across the year. This loss level does not include the maintenance and upkeep costs required to support the continued use of older buildings to deliver the legislative requirements for licensed children’s services.

Historical and Forecast Trends of Financial Loss

Looking back, the three Council-owned and operated childcare services have operated at a loss over the past five years.

Budget Year	2022-23	2021-22	2020-21	2019-20	2018-19
Actual Operating Loss (deficit)	(580,784)	(523,020)	(482,343)	(635,480)	(497,169)

Modelling for the following five years demonstrated that the current financial loss would continue and in fact increase even in a ‘best case’ scenario of 90 per cent utilisation.

Looking forward, there is a clear trend that the current budget loss is forecast to increase with an estimated conservative financial loss of over \$3.1M in the next five years, including the financial loss for the 2023-24 budget year. This forecast is based on 90 per cent utilisation with a \$4/day increase in fees for each budget year.

Council’s Early Learning Centre Financial Forecast	2023-24 Approved Budget	2024-25 Forecast	2025-26 Forecast	2026-27 Forecast	2027-28 Forecast
Operating Loss (deficit)	(569,686)	(583,479)	(627,468)	(677,379)	(691,099)

Unmet Utilisation Targets

As demonstrated in the graph on the following page, utilisation in the Early Learning Centres over the last six financial years shows a consistent level of support from families for all three centres but not to the level required to meet the target of 90 per cent utilisation.

The graph also demonstrates the total yearly average utilisation across all three centres for the last six years. Whilst attendance understandably dropped over the 2020-21 and 2021-22 years due to the impact of COVID-19 restrictions, the averaged utilisation was around 81 per cent over the last six years and has significantly contributed to the financial losses for the services over that same period.

Council's Early Learning Centres % Utilisation (Financial Years)



	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
■ Carnegie ELC	87%	89%	81%	72%	80%	82%
■ Caulfield ELC	95%	95%	89%	81%	84%	83%
■ Murrumbeena ELC	84%	77%	79%	67%	65%	69%
■ Total Overall Average	89%	87%	83%	73%	76%	78%

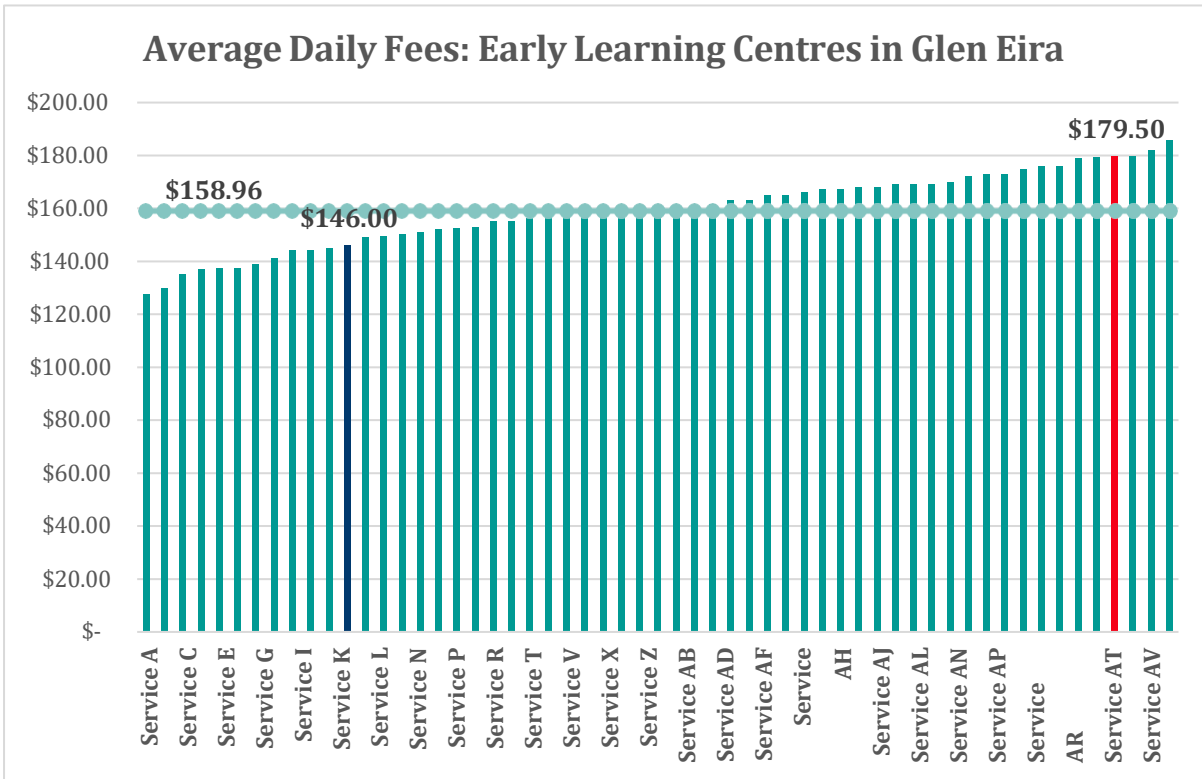
Early Learning Centre Fees Across the Municipality

Average daily fees across the 58 Early Learning Centres in Glen Eira range from \$127.40 to \$185.65 per day.

Compared to the other 55 Early Learning Centres across the municipality, Council’s fees sit around the 12th lowest. That is, there are 11 other services that charge fees lower than Council at the time of writing this Discussion Paper.

The review concluded that a key reason the Council services were unlikely to achieve cost neutrality was because the three centres were much smaller than the optimal size required to deliver a financially sustainable service. Council would need to *significantly* increase its Early Learning Centre fees to achieve cost neutrality, which would most likely have a material and negative impact on utilisation levels because Council’s services do not provide comparable service levels such as cooked meals or nappies.

An analysis shows that Council would be amongst the most expensive childcare services in the municipality, if Council charged fees that resulted in no further financial loss for its three services. In the graph on the following page, the dark blue vertical line in the diagram below shows Council’s current fees in relation to other childcare services across Glen Eira. The red vertical line demonstrates that Council would become one of the most expensive childcare services if it charged a fee that represented full cost recovery for its current level of operational subsidy. If full cost recovery was applied for the 2023-24 budget year, the average fee for Council’s Early Learning Centres would be \$179.50/day which is a \$33.50/day increase on the current approved fees.



Average daily fees charged at Early Learning Centres in Glen Eira

Council Considerations Based on Childcare Strategic Service Review

Victorian Competitive Neutrality Policy

As a level of government, Glen Eira Council is required to abide by National Competition Policy, including Competitive Neutrality Policy which is overseen in Victoria by the Office of the Commissioner for Better Regulation. In essence, Council is responsible for ensuring that none of its business activities operate under any advantage in competitive markets such as the local childcare market because of the benefits it enjoys as a level of government unless this would compromise clearly stated public policy objectives and not be in the public interest.

Council’s three owned and operated Early Learning Centres operate in a competitive market with the other 55 Early Learning Centres that operate in the municipality. The three Council owned and operated Early Learning Centres operated at a loss of \$580,784 in the 2022-23 financial year and this trend forecast to continue. This loss is subsidised by the overall Council budget and potentially allows Council to charge lower fees than many of the other services.

Increasing Council Early Learning Centre fees to recover the financial losses would most likely have a material and negative impact on utilisation levels because Council’s services do not provide comparable service levels such as cooked meals or nappies.

Significant Costs to Upgrade or Replace Current Facilities

As described earlier in this paper, Council’s Early Learning Centre buildings are mostly older in style with smaller spaces and lacking in contemporary programming and service flexibility. Further, many facilities require substantial refurbishment and upgrading to meet current design standards.

Murrumbeena Early Learning Centre

For the Murrumbeena site, the review identified that an increase to the building size would require substantial reconfiguration of the internal areas or an extension to the building that would require significant upfront capital costs. This site was identified as the most suitable site to consider if Council identified one option as consolidating all three services into one facility that achieved the appropriate economies of scale to make it financially viable into the future.

Initial estimates of the capital investment that would be required to achieve this was conservatively estimated at \$9.5M if the infrastructure project was built in 2024, rising to \$10.04M if it was built in 2025.

Carnegie Early Learning Centre

For the Carnegie site, the review identified that the physical and zoning characteristics of this site means that a viable childcare service is unlikely to be achieved through any refurbishment or expansion investment.

Based on that assessment, the review noted that only if Council were to choose to redevelop the Murrumbeena site into a child and family hub, it may consider one of the future uses of the Carnegie site might include the conversion of this facility into a stand-alone kindergarten facility to serve future demand in the Carnegie community.

However, this would not be an automatic assumption as a consideration of this nature would be subject to Council's broader process and decisions around how to most effectively use buildings that are no longer required for their current use. These matters would be guided by Council's Property Strategy and would require a separate process and report to Council should Council make a final decision to either consolidate its existing services to Murrumbeena or exit all three services.

The Property Strategy directs that there must be a clear link between Council's objectives, strategies and plans and Council's ownership of property to meet existing and emerging community needs.

In particular, the following guiding principles will be considered:

- *Meet Council and Community Operational and Service Needs* - to enable good service delivery to meet assessed service levels in the best interest of the community as outlined in Council's plans and strategies (e.g. Open Space Strategy, Structure Plan, etc.).
- *Value for Money* - Council will focus on achieving value for money from its property assets including the direct financial impacts of a given decision or approach, as well as ensuring due consideration of social, economic and environmental costs, benefits and impacts whilst ensuring financial sustainability.
- *Consistency and Transparency* - to ensure that Council decisions related to property are consistent with Council plans and policy and can be scrutinised by the community as the most effective means of ensuring that fairness and good governance are at the heart of decisions and actions.
- *Legal and Statutory* - compliance to ensure it fulfils all statutory and legislative requirements and ensures properties are maintained to a safe, compliant and modern-day standard which are 'fit-for-purpose' benefiting the community.

- *Financial Sustainability* - Council maintains its property portfolio consistent with sound financial management and in alignment with Council's Long-Term Financial Plan and budget.
- *Environmental Sustainability* - Properties are managed to improve environmental sustainability and to reduce greenhouse gas emissions and optimise environmental outcomes and performance, including implementation of “smart” building technologies and other environmental initiatives in line with *Our Climate Emergency Response Strategy 2021-2025*.

An initial, conservative estimation of refurbishment costs for this possible option was approximately \$2.08M if built in 2024, rising to \$2.2M if built in 2025.

Caulfield Early Learning Centre

The Caulfield site is a building that operates as a series of small rooms connected by relatively long passages. There is limited external land area to utilise for a major building extension and, if it were extended, the likely impact on parking at the Glen Eira Town Hall carpark would be substantial given that the adjacent street is a no through road. The review concluded that the only way to expand the building would be to sacrifice outdoor space, which would not improve the centre and potentially impact on licensed childcare places at the centre. Glen Eira has the lowest amount of open space within any Victorian municipality.

Financial Implications for Council

Council is dedicated to providing high-quality services to residents both now and into the future. Inflation and rising costs are making it tougher for all councils to operate, including Glen Eira and so Council is taking action to plan responsibly now and with future budgets focusing on shared community priorities.

While local government collects only 3.8 per cent of taxes, it manages one third of the nation’s infrastructure. In addition, infrastructure upgrades and services are costing much more. Due to inflation, infrastructure projects are consistently costing 10 to 20 per cent more than originally budgeted.

Consequently, the costs associated with refurbishing or building new centres would have significant impact on the Council’s budget and would reduce the capacity of Council to meet its current infrastructure commitments, including investment to unlock more open space, infrastructure improvements in Glen Eira’s parks and the ability to effectively maintain existing assets such as roads, footpaths, and community facilities.

The State Government has also announced Councils can increase rates up to a maximum of 3.5 per cent in the 2023-24 financial year. This is still 0.5 per cent below expected inflation. This means costs will keep increasing faster than revenue.

The service review noted that Council’s adopted Long Term Financial Plan has no budget provision for major building investments relating to the three Early Learning Centres.

Grant Funding from Other Levels of Government

As part of the Best Start Best Life kindergarten reform, the Victorian Government has established a *Building Blocks* infrastructure grants program to support the delivery of

suitable infrastructure to ensure eligible children can access kindergarten across Victoria as the reform rolls out into future years.

Early Learning Centre, and kindergarten facilities and programs must be designed and delivered in accordance with a range of Commonwealth and Victorian policies and legislation including the National Quality Standards for Early Childhood Education and Care.

To be eligible for the Building Blocks grant funding, not for profit organisations and local government must complete projects by 2026. This would mean that any major infrastructure projects would need to be well progressed in order to meet this deadline.

Should Council determine to proceed with a larger facility on the Murrumbeena site, it could potentially access an *Integrated Children's Centre* grant up to \$4.5M to create a new child and family hub. However, this would still mean that Council would be required to invest at least an additional \$5M to \$5.54M. This would also assume that costs did not continue to escalate further into the future if the project proceeded.

If a future use of the existing Carnegie facility was identified as refurbishment to create additional kindergarten places for that community, Council may possibly access an *Expansion* grant for a maximum of \$1M. This would still require an investment of approximately \$1.08M to \$1.2M and this assumes the cost does not escalate further into the future.

An Opportunity to Strengthen Council's Municipal Role for Children and Families

The review identified an opportunity for Council to strengthen its municipal role for all children and families across the Glen Eira community. Working 'on' the business may provide a greater opportunity for Council to influence and impact access and participation in community life, and greater support for all children and families across the municipality with the resources it has in an increasingly tight fiscal environment.

In particular, there was an opportunity to strengthen Council's work in planning at a municipal level to respond to current and future reform that might impact on all children and families, such as the Best Start Best Life kindergarten reform announced by the State Government, the associated Kindergarten Infrastructure and Services Plan for the municipality and the yet to be announced Commonwealth Early Years Strategy.

What Options Were Presented to Council to Consider the Future of its Three Early Learning Centres?

The service review identified three possible options for the future of Council's Early Learning Centres for consideration by Council. These were:

1. **Status quo** – maintain service delivery in its current form
2. **Exit service provision** – cease to operate the three childcare centres
3. **Consolidate** – consolidate places from the three childcare centres into a refurbished child and family hub

Potential Option 1: Status Quo

This option describes where Council maintains service delivery in its Early Learning Centres in their current form, including the existing facilities, and the continued operating loss conservatively forecast to be over \$3.1M across the next five years.

In this option, families would continue to access the services they have enrolled in with Council, including the 37 children enrolled in funded kindergarten programs delivered across the three centres. Staff would continue in the roles they have been employed for in Council's Early Learning Centres.

Potential Option 2: Exit Service Provision

This option describes how Council might potentially exit service provision across all three Council-operated Early Learning Centres in December 2023.

Because of the nature of this possible option, consultation and engagement about this option would be a pre-requisite with staff, families, and the broader community. Council would genuinely consider feedback about this possible option before making a final decision.

In this potential option, Council would relinquish its Approved Provider license with the Australian Children's Education and Care Quality Authority, along with concluding its funding and service agreements for childcare and kindergarten with both the Commonwealth and State Governments.

This possible option means families would need to enrol in other childcare services across the municipality from 2024, (including accessing kindergarten programs in these services) and may require focused support to transition to an alternative childcare service.

This option would also involve potential staff redundancy or redeployment and if it eventuated, the change would be carried out according to the Glen Eira Council Enterprise Agreement 2022.

For this possible option, overall staff redundancy costs are estimated to be around \$1M, over and above existing leave entitlements already accounted for in employee budget allocations.

This potential option would also mean that Council would determine the future use of the existing facilities as part of broader Council priorities and its adopted Property Strategy. As such, Officers would prepare a report at a later date for a future Ordinary Council Meeting to inform the future of the three Early Learning Centre sites (Caulfield, Carnegie, and Murrumbeena) that addresses the following options for these facilities:

- a. Leasing the sites
- b. Re-purposing the sites for alternative community use
- c. Disposal of the sites

The co-location of maternal and child health services at the Caulfield and Murrumbeena sites would form part of this consideration. This potential option would also eliminate the risks posed for Council in relation to its obligations under Competitive Neutrality Policy.

Potential Option 3: Consolidate

This option describes how Council might consider consolidating all three centres into a larger, more modern child and family hub on the current Murrumbeena Early Learning Centre site.

This would mean that services at the Carnegie and Caulfield sites would discontinue when the new facility was opened and future uses for these facilities would be considered in a separate process by Council as part of the endorsed Property Strategy. The co-location of

maternal and child health services at the Caulfield site would form part of this consideration.

Families, children, and staff would transfer to the new site when completed.

This option would require a conservative capital investment of approximately \$9.5M to \$10.04M with a possible grant from the State Government of up to \$4.5M if all grant funding criteria was met.

A larger service may provide the opportunity to deliver a more financially sustainable service whilst modernising the current service offerings for children and families.

Council's Preliminary Decision to Exit

Why Did Council Make a Preliminary Decision to Possibly Exit its Three Early Learning Centres?

The Childcare Strategic Service Review demonstrated that although Council initially commenced in its role as a childcare service provider in the 1990s and early 2000s because of an identified lack of services for families, there is now a healthy competitive market growing and expanding for childcare services across the Glen Eira municipality. The review showed that families have a range of choices, and larger facilities support more flexible and sustainable services that not only facilitate contemporary learning environments for children, but economies of scale that help to moderate fees for families over time.

When considering whether to maintain the status quo or consolidate into a larger service, the service review identified that the other possible options are forecast to continue to require increasing financial losses either through operating costs or significant capital investment, both now and into the future.

Looking at the future cost projections for three services, the review found that even at 90 per cent utilisation, financial losses continued to be substantial and trending upwards. What the review also noted however, was that consistently achieving 90 per cent utilisation was a significant challenge that had not been met over the last six years, and was unlikely to be met in the future, given the expanding childcare market and the ageing infrastructure constraints this posed to deliver contemporary and flexible services for children and their families in a competitive market.

Further Considerations and Discussions

The following are examples of further questions and considerations that may be prompted by the content in this Discussion Paper. They are by no means representative of all possible questions that may occur as a result of reading this Discussion Paper but are included to support staff, families and the community to provide feedback to Council about its preliminary decision.

What other services does Council provide to support children and families to participate in community life in Glen Eira?

Council provides child friendly open spaces, informal play and social opportunities including playgrounds for parents, community centres, libraries, and facilities for sporting organisations to assist families and children to improve wellbeing and to actively participate in community life.

Council's four community libraries deliver a range of programs to support young children including story time and baby time sessions that attract more than 60,000 parents each year along with reading and literacy programs for children.

Council also runs a diverse and inclusive range of arts and cultural festivals, programs and events year-round including family friendly events such as Carols in the gardens, the Glen Eira storytelling festival, and 'Under the Stars' and 'Groove and Graze' events on our parks.

Council's priority is to ensure all local families can access high-quality services in their local area, regardless of who is delivering them and reviewing our services is the responsible thing to do when there are such significant impacts for Council, services, and community.

Can Council increase fees to make the three centres viable?

Income for providers of childcare services is derived from daily fees charged to families. The average price for Council's three centres is \$146.00 per day. Average daily fees across the 58 childcare centres in Glen Eira range from \$127.40 to \$185.65 per day.

Childcare fees are driven by a range of factors including the overall amenity of the centre, quality of education and care and the quality/variety of additional services that may be provided such as meals, nappies, and extracurricular activities including multi-sport classes, music lessons, entertainers and excursions that maybe provided as part of the service.

To recover the losses for Council's three Early Learning Centres fees would need to rise significantly. For example, in the 2023-24 budget year, the daily fees would need to increase to an estimated \$179.50 per day (a \$33.50 increase) and would not be competitive in the local marketplace given the fact that the Council centres are unable to provide cooked meals, nappies and the broader range of services delivered by more modern larger centres that charge higher fees.

Is there Commonwealth or State Government funding to upgrade the Council childcare centres or build new centres?

Council would not be eligible for any currently available Commonwealth Government funding for capital upgrades or building new Early Learning Centre facilities.

The Australian Government is the main source of overall funding for childcare services which is primarily administered through fee subsidies for families. The childcare subsidy is intended to assist families with the costs of childcare. It is paid directly to childcare providers, who pass the subsidy on to families in the form of a fee reduction.

The Victorian Government does provide funding for upgrades, refurbishment for not-for-profit funded organisations offering 3-and 4-year-old kindergarten programs like the three Council centres. However, the level of funding is not enough to cover the infrastructure costs associated with making any of the three centres economically viable or the costs of building new larger financially viable centres.

Why can't Council just use ratepayer funds to subsidise the childcare services it runs?

Glen Eira City Council is committed to providing high-quality services to residents, businesses, and visitors now and into the future. But right now, costs are increasing faster than Council can cover. For all councils, including Glen Eira, it's becoming tougher to

operate and Council needs to be responsible and plan now for the community's long-term sustainability.

Council currently provides 115 childcare places accessed by 148 families. The annual loss for these places was \$580,784 in 2022-23 and is forecast at \$569,686 for 2023-24. This financial loss assumes 90 per cent utilisation across the three services for the financial year.

Council must make sure its resources are used efficiently and effectively, and the ongoing financial viability of the Council must be ensured if Council is to comply with the Local Government Act 2020. The importance of responsible administration by local government of public finances cannot be overstated.

With the substantial growth in the number of childcare services and available places that have occurred over the past 10 years, declining demand for Council operated services coupled with the forecast substantial growth in places, it is responsible and timely to review its three Early Learning Centres.

There are many services Council provides on behalf of State and Commonwealth governments where funding has not kept up with the cost of providing services over time, and that is a risk that Council has to consider very carefully.

For example, the Victorian Government is shifting the cost of critical services onto Council such as maternal and child health services and the School Crossing Supervisor Program, through outdated funding models that see Council wearing 70 per cent of the cost of programs that are supposed to be 50:50 funding responsibility between State and Local Government.

Can families access other high quality childcare services in Glen Eira?

Yes. Glen Eira is well serviced by high quality Early Learning Centres with a high percentage of childcare services rated as either meeting or exceeding National Quality Standards across the municipality.

The National Quality Framework includes a National Law and Regulations, a National Quality Standard, and a nationally consistent process for Assessment and Quality Rating and National Learning Frameworks.

All childcare services are rated against the National Quality Framework through a combined process of quality assurance and regulatory compliance and ratings must be displayed at each service and can be searched online.

If Council did make a final decision to exit its three Early Learning Centres, when would the services potentially close?

Council has not made a final decision yet. If Council were to make the final decision to exit its three services after genuinely considering feedback from staff, families and community, the services would most likely close on 21 December 2023.

If Council did potentially make a final decision to close the services, how would staff and families be supported?

Council has not made a final decision and for now, nothing will change. However, if Council were to make the final decision to exit its three services after genuinely considering

feedback from staff, families and community, a comprehensive project would be planned to implement that decision.

Council recognises that a decision to close services would be unsettling for families and staff and a wide range of supports that respond to their specific needs would be provided.

Staff would be supported through the processes outlined in the Glen Eira City Council Enterprise Agreement 2022. Families would be provided with support to find alternative service providers across the municipality.

If Council did make the final decision to exit its three Early Learning Centres, what would happen to the buildings?

If Council were to make the final decision to exit its three services after genuinely considering feedback from staff, families and community, officers would prepare a report for a future Ordinary Council Meeting to inform the future of the three Early Learning Centre sites (Caulfield, Carnegie, and Murrumbeena) that addresses the following options:

- a. Leasing the site
- b. Re-purposing the site for alternative community use
- c. Disposal of the site

The future of the sites would be guided by Council's adopted *Property Strategy* which aims to ensure infrastructure meets the needs of the Glen Eira community. The co-location of maternal and child health services at the Caulfield and Murrumbeena sites would form part of this consideration. The Strategy establishes a strategic decision-making framework to guide Council decisions in relation to acquisition, use, management, development, and disposal.

Has Council told the State and Commonwealth Governments about the service review and preliminary decision to possibly exit services?

Yes. As an Approved Provider of children's services and having funding and service agreements with both the Commonwealth and State Government for childcare and kindergarten services, Council is required to advise the other levels of government about its preliminary decision and the consultation and engagement process that is currently underway with staff, families and community.

Who else has been told about Council's preliminary decision to possibly exit the three Early Learning Centres?

Council has contacted both State and Federal local members of parliament to advise them of its preliminary decision and the consultation and engagement process currently underway with staff, families, and community.

Council has also contacted the not-for-profit service partners that currently deliver early years services from other Council buildings such as kindergarten and childcare services.

Council has contacted other Early Learning Centres that offer similar childcare and kindergarten services in the Glen Eira municipality so that they have some context for possible enquiries from families during the consultation and engagement process currently underway.

Council has also advised the relevant Unions and any nominated staff representatives about the preliminary decision of Council and the consultation and engagement process currently underway.

Consultation and Feedback

What is the timeframe to give feedback to Council on its preliminary decision to possibly exit its three Early Learning Centres located at Murrumbeena, Carnegie and Caulfield?

The consultation, engagement and feedback period has been set for 4 weeks, commencing Wednesday 4 October and concluding Wednesday 1 November 2023.

How do I provide feedback to Council about its preliminary decision to possibly exit?

Staff

Staff, their nominated representatives and/or relevant Unions can provide feedback through a distributed feedback form, one-on-one or small group meetings, and send feedback to a dedicated Council email address. Councillors will be provided with all feedback provided by staff during the consultation period.

Families

Families will be provided an opportunity to complete an electronic or paper survey and can also make an appointment on Family Listening Post days where they can speak to someone senior from Council. Families can also provide feedback through Council's *Have Your Say* webpage.

Community

Members of the community can access information about the consultation and engagement process about Council's preliminary decision to exit its Early Learning Centres through Council's *Have Your Say* webpage.

Next Steps

Following the 4 weeks' timeframe from 4 October to 1 November 2023, Council will genuinely consider individual feedback, together with general themes and issues emerging from the feedback from staff, their nominated representatives or relevant Unions, families, and community before making a final decision about the future of its Early Learning Centres in December 2023.

In Conclusion

The Discussion Paper outlines the key activities of the review, and the considerations of Council in deciding to make a preliminary decision to potentially exit the three Early Learning Centres located at Murrumbeena, Carnegie and Caulfield. This preliminary decision is subject to consultation and feedback from staff, directly affected families and the broader community.

Following Council's preliminary decision, and as part of the consultation and feedback timeframe, this Discussion Paper can be used to inform and assist staff, families, and community in their feedback to Council during the consultation period.