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Department of Education and Early Childhood Development Reducing the Red Tape Project: KPV Submission

Early childhood education is one of the most effective investments governments can make to promote good outcomes for children and the community. Policy guidelines, regulations and legislation must facilitate and not hinder early childhood education services.

Early childhood education providers are subject to many legislative and regulatory requirements, which can place undue demands on both volunteer parent committees and cluster managed services.

Group employer arrangements (called cluster managers) have been developed that serve to reduce the burden and local government involvement often provides further support. However even in these arrangements parents continue to contribute significant hours to ensure the good governance of kindergarten and other early childhood programs. Further, cluster managers themselves are subject to regulatory demands they experience as onerous.

Reducing red tape assists parents to have the level of involvement they want without undue burden. It also facilitates the capacity of all early childhood providers to focus on the efficient delivery of the early childhood education services that underpin good outcomes for Victorian children.

The early childhood education sector experiences significant administrative burden. Despite some actions taken to reduce red tape (for example the simplification of financial reporting) other red tape issues remain, and such pressures may be expected to increase as regulatory and policy reforms are implemented across the early childhood sector.

Reducing red tape is therefore an opportunity to review a range of areas which may be considered to impart undue burden.

Legislative frameworks for early childhood services

The work undertaken by parent committees, cluster managers, local government and churches to deliver kindergarten programs is governed to varying degrees by various legislation, regulations and industrial agreements. This legislation includes, but is not limited to the following:

Victorian legislation and regulations	Commonwealth legislation
<i>Children's Services Act 1996</i> <i>Children's Services Regulations 1998</i> (soon to be 2009) <i>Children's Wellbeing and Safety Act 2005</i> <i>Fundraising Act 1998</i> <i>Occupational Health and Safety Act 2004</i> <i>Workers Compensation Act 1958</i> <i>Equal Opportunity Act 1995</i> <i>Associations Incorporation Act 198</i>	<i>Privacy Act 1988</i> Taxation legislation

The quantity of legislation and regulations impacting on organisations providing early childhood programs presents significant challenges to governance. Further despite stated government policy aims at the state and federal level that promote integrated services these challenges are perhaps particularly in evidence when services seek to offer a range of programs to support families and children.

For example, integration of childcare and kindergarten is widely promoted as delivering better support to families. Currently child care is funded and largely regulated by the Commonwealth and kindergarten by the state. Yet there is little cooperation between the Commonwealth and state governments to ensure consistent funding arrangements for childcare and kindergarten or to facilitate the integration of these services. Similarly child care is subject to national accreditation requirements but kindergartens are not.

This lack of federal and state consistency is a major issue in early childhood. Legislative fragmentation and complexity makes it difficult for cluster managers and local governments involved in this area to understand and fulfil their responsibilities For parent volunteers who manage around 730 independent kindergartens and around 300 or more community childcare centres in Victoria the situation is even more daunting.

Given the scope of the current inquiry, the balance of this submission will focus on examples of regulatory issues at the state level and refer to their impact on state funded kindergarten programs by way of illustration. However in many instances that impact may be extrapolated to child care centres as well and particularly where the centre runs kindergarten as well as childcare.

For example, the *Fundraising Act 1998* can be daunting for volunteers, and confusion exists as to how it applies to kindergarten fundraising activities. Similarly, in the case of the *Associations Incorporation Act 1981*, some committees have a limited idea of their obligations. One of the burdens of legislative compliance is the dearth of easily accessible, plain English guides.

In addition to the wide range of legislative and regulatory requirements for early childhood education providers, they are also subject to a significant number of policy based guidelines and requirements.

Service agreements

In recent years the Financial Accountability Requirement (FAR) for kindergartens has been simplified by the government. The customisation of the FAR process through the Funded Agency Channel has been a significant factor in this simplification. Simplification has delivered a reduction in red tape for independent committees of management.

Data collection

Current data collection requirements are extensive yet the rationale for collecting is not always transparent. The form used is however generally logical and has clear instructions and explanations. The sector is over-regulated with early childhood services required to inform government of their operations when various circumstances change. Among other requirements, kindergarten providers need to apply to or notify DEECD to:

- Change staff
- Adjust the number of children in service
- Request a second year of kindergarten for a child
- Obtain a fee subsidy
- Obtain an exemplary teacher supplement
- Access funding to support a child with a disability
- To move to a cluster
- To use a payroll service.

No other community sector organisation is required to fulfil such onerous funding requirements.

Regular reporting back to the sector by government collection agencies in the form of non-identifying data, statistics and reports would benefit the sector and assist services to plan for current and future community and organisational needs.

Grants compliance

Accountability requirements for dispensing grant funding can create red tape, in particular for projects that have multiple funding bodies. In many instances the accountability requirements are disproportionate to the funds received, and indeed divert resources from projects and organisations into meeting accountability requirements. KPV recognises the work of the Office for the Community Sector and other government agencies in seeking to reduce this problem.

Children's services regulations

There has been unnecessary administrative requirements and overly complicated processes related to licensing under the *Children's Services Regulations 1998*. The proposed changes to licence types under the draft *Children's Services Regulations 2009* should better meet the needs of services and will reduce red tape. The integrated service licence, for example, should enhance the ability of organisations to increasingly deliver integrated children's services and reduce red tape for those services already delivering integrated services, by allowing different types of services to be provided under a single licence.

While good record keeping supports effective processes and accountability. KPV believes that accountability measures and regulations should only stipulate record keeping that is essential to ensure children's health, safety, development, learning and wellbeing.

The voluntary contribution of parents

Parent volunteers bear a great deal of the burden associated with delivering kindergarten programs. A recent KPV survey of Independent Committee's of Management found that presidents and treasurers make especially significant contributions, with an average weekly contribution of six and four hours respectively. The combined commitment of parents on kindergarten committees adds up to approximately 28 hours of unpaid work per week. Around a quarter of presidents find this to be an unreasonable contribution. Presidents tend to work more hours when a three year old program is being offered.

A KPV survey of cluster managers indicated voluntary parent contributions in cluster managers may take the form of parent delegates to boards, contribution to program development and fundraising, to name a few examples.

The contribution of teachers in administering kindergarten services

Most independent committees of management supporting kindergarten services employ some form of paid administration, according to KPV's most recent survey of this group. The most common form of paid administration support was in the diversion of teacher time to administrative activities for an average of 7 hours per week. Red tape is having a particular impact on how teachers are using their time. Nearly half (44%) of committee members surveyed believed this teacher contribution was unreasonable.

Other commonly reported forms of paid administrative support used by independent committees include onsite or offsite clerical assistance. Most centres rated the hours required by clerical bookkeepers as reasonable. However, as kindergartens do not receive funding to support administrative workers, these costs must be accommodated within the per capita grant and parent fee contributions. The result of employing paid administration support is that the costs of addressing red tape can easily be passed on to parents in the form of higher fees.

The teacher validation process

Currently teachers are able to undergo a validation process in order to progress through a range of teacher classifications. In the process, teachers can secure salary increases commensurate with their level of training and experience. Negotiating the process of validation requires a significant commitment of time and input from teachers and employers.

About Kindergarten Parent's Victoria

KPV promotes the voice of parents in quality early childhood education for Victorian children, serving more than 200,000 children and their families. Our membership is made up of over 1200 early education and care providers such as independent kindergartens, cluster managers, long day care services, childcare centres and local governments.