



**EARLY YEARS**  
MANAGEMENT

**EYM**  
**KINDERGARTEN**  
OPERATING  
GUIDELINES

PART 2



## About this document

**Part 2** – EYM Kindergarten Operating Guidelines provide detailed operational information and processes for:

- Committees of Management considering pursuing EYM partnership arrangements
- Committees of Management and EYM providers to ensure the partnership is effective in providing sustainable and quality services
- local government supporting EYM in their municipalities
- organisations seeking to become an EYM provider.

The EYM Kindergarten Operating Guidelines (Part 2) should be read in conjunction with the EYM Policy Framework (Part 1), which sets out the background and context for Early Years Management. It outlines the partnership approach between EYM organisations, families, the Department of Education and Training (the Department) and local government that is fundamental to the effectiveness of the model, and is an overarching framework that:

- provides vision for EYM
- provides a sound basis for EYM organisations and partners to undertake strategic planning
- introduces outcomes for EYM that provide a consistent and transparent way of monitoring the impact of EYM at organisational and system levels.

## Acknowledgements

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- Early Childhood Management Services
- Hume City Council
- Kinders Together Association
- Loddon Mallee Preschool Association
- Yarra City Council
- Yarriambiack Shire Council.

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This document is also available on the internet at <http://www.education.vic.gov.au/childhood/providers/edcare/Pages/eym.aspx>

# INTRODUCTION

This document provides detailed guidelines for implementing the Early Years Management (EYM) Policy Framework for all EYM partners that deliver or intend to deliver kindergarten programs in Victoria.

**The EYM Policy Framework replaces the Kindergarten Cluster Management (KCM) Policy Framework 2009. It provides essential parameters for all partners involved in the EYM system and must be read in conjunction with these guidelines.**

## EYM Partners

EYM is built on a four-way partnership, where partners work together to deliver a quality early education experience for all children.

The partners are:

- families
- EYM organisations
- local government
- the Department of Education and Training (the Department).

Each partner has a unique role in directly or indirectly supporting the learning and development of children. Given the varying roles, it is critical that all partners are clear about the contribution they make towards achieving improved outcomes for children.

Clearly defined roles and responsibilities enable EYM partners to perform their roles with confidence, ultimately contributing to the overall effectiveness and sustainability of EYM in Victoria.

Families are children's first teachers and are central to their growth and development. Families create supportive relationships and environments that nurture children's early learning. They engage with and contribute to

local kindergarten services and the broader community, effectively improving educational outcomes for children.

Victoria has a long history of community-based, stand-alone kindergarten services operated by independent incorporated associations. These associations are typically governed by Committees of Management, comprising volunteer family members and parents whose children attend the service.

The decision to explore and negotiate an EYM partnership arrangement will be made by the Committee of Management on behalf of the association, and in consultation with the families and parents accessing the service.

Once a partnership is in place, the role of families and parents on the Committee of Management changes from delivering and managing all aspects of the kindergarten service, to providing advice and support to the educational program at the service. To denote this change in role, these guidelines refer to Committee of Management as structures prior to the EYM arrangements being confirmed, and Parent Advisory Group (PAG) once the agreement is implemented.

EYM organisations (formerly known as KCM organisations) provide leadership and management to funded community-based kindergarten services, and other complementary early years services. They have expertise in operating high-quality early childhood education and care services. The foundation of EYM leadership is a deep understanding of current research about the early years, particularly in relation to effective practices and service models, and engagement with relevant strategic issues and reform.

Local government is the third tier of government and plays a key legislative role in strategically planning and coordinating early years services within a municipality. Its role is to understand and represent the interests of the local community, and be a major provider of early years facilities and services.

Additionally, local government often takes on the role of an EYM organisation.

The Department oversees the design, development and operation of the EYM system, particularly with respect to the provision and management of kindergarten services.

The Department executes its stewardship role in collaboration and consultation with all EYM partners, to support achieving improved outcomes for children.

For a full description of the roles and responsibilities of each EYM partner, see the EYM Policy Framework.

## Your Roles and Responsibilities as an EYM Partner

It is important that EYM partners understand their individual responsibilities and where they intersect with those of other EYM partners. These guidelines particularly focus on processes relevant for:

- EYM organisations establishing new partnerships with community-based kindergarten services that are operated by incorporated associations (see Guidelines for existing EYM organisations from page 7)
- Committees of Management representing incorporated associations that provide community-based kindergarten services interested in joining EYM arrangements (see Guidelines for Committees of Management from page 15)
- prospective community-based organisations looking to establish themselves as EYM providers (see Guidelines for Prospective EYM Organisations from page 25).





EYM organisations use their expertise in early years and their professional management skills to deliver high-quality services that directly benefit children.

# GUIDELINES FOR EXISTING EYM ORGANISATIONS

## ESTABLISHING A NEW EYM PARTNERSHIP

**An EYM partnership is a long-term arrangement between an EYM organisation and a kindergarten service. It is driven by the opportunity to improve outcomes for children and for the mutual benefit of all stakeholders and the community.**

It is entered into after the suitability (opportunities and implications) for all parties have been thoroughly assessed, communicated and understood.



### Opportunities to Expand your EYM Organisation

The opportunity to expand may arise when an EYM organisation:

- is approached by a kindergarten service that is interested in joining their organisation
- identifies and pursues an opportunity, which is aligned with its strategic planning objectives, for a kindergarten service to join their organisation.

EYM organisations are required to have a clearly documented position on organisational growth in their strategic plan. The Department discusses expansion plans with EYM organisations as part of the performance monitoring process.

### 1. Assessing a Potential Partnership

Before embarking on a new partnership, EYM organisations must make an initial assessment of their:

- current capacity to support the successful transition of a new service
- ability to provide ongoing, regular and direct support to staff and families regarding the new service(s)
- alignment with the philosophy, vision and culture of prospective services.



When assessing the viability of a prospective partnership, the EYM organisation must seek specific information from the kindergarten service's Committee of Management, including:

- relevant compliance history
- National Quality Framework (NQF) assessment and rating status
- facility-use arrangements
- the legal, industrial, financial and operational status of the service.

EYM organisations must use this information to identify issues that may affect the successful integration of the service into their organisation.

The Committee of Management responsible for the service should also request details from the EYM organisation to assess the suitability of the potential partnership. Committees of Management might require information regarding:

- details of the organisational structure
- the strategic directions and priorities of the organisation
- relevant compliance history
- the NQF assessment and rating status for other services within the organisation
- cost structures and service fees
- processes that enable families and parents to participate in the education program.

The Department encourages EYM organisations to maintain an up-to-date organisational prospectus to facilitate this information sharing process.

It is critical that the suitability of the prospective EYM arrangement is thoroughly examined prior to any partnership forming. This ensures an enduring structure and relationship that can respond to changing community needs.

Transitioning out of an EYM arrangement is not encouraged. Any changes to established EYM partnerships should be considered as a last resort and only where there is an ongoing dispute between the EYM organisation and families and parents accessing the service (represented by the PAG). For more information on how the Department handles disputes see page 12.

## Consulting with Local Government and the Department

At this stage of the process, EYM organisations are required to advise the Department's regional office of their intention to add a new service to their organisation. A consultation will take place, focusing on the alignment of the proposed partnership with the EYM organisation's strategic growth plan. The Department will then determine whether there are performance issues, including compliance with the NQF that may impact on the EYM organisation's capacity to successfully transition a service into their organisation.

The Department's regional offices will undertake reviews that measure how the EYM organisation's service provision aligns with local government early years planning and priorities. This ensures that EYM services support the needs of local government.

All community-based (non-local government) EYM organisations must consult with the relevant local government to gain a clear understanding of community interests and local service provision issues. The information gathered must be considered in determining whether to progress with the proposed partnership. This consultation is essential if the service involved operates in a local government-owned facility. Evidence of this consultation should be later included in the formal application process.

If a local government owns facilities, the EYM organisation must establish formal facility-use arrangements, such as a lease. Facility-use arrangements give both the EYM organisation and local government an opportunity to work together to ensure maximum use of the facility.

Formal arrangements about the use of local government-owned facilities should be between the EYM organisation and local government, as this supports the authority of the EYM organisation as the approved provider of the service. However, it is understood that some local government organisations may have specific conditions that require formal arrangements be made with an incorporated association, where this is in the best interests of the community.

## 2. Negotiating the Partnership Arrangement

Negotiation occurs after the EYM organisation and the Committee of Management have undertaken a thorough assessment of the other's status, and determined that the proposed partnership provides opportunities to improve outcomes for children and will be of mutual benefit to stakeholders. The parties must then negotiate how they will transfer the service. It is critical that transfer arrangements support the authority of the EYM organisation in fulfilling its responsibilities (see the EYM Policy Framework).

**Please note:** The Committees of Management is referred to as the PAG once partnership is formed.

To make sure the EYM organisation and Committee of Management have clear expectations on how the partnership will operate, the Department recommends negotiations cover the following specific details:

- roles and responsibilities of the EYM organisation and the PAG
- structures enabling participation of families and parents, including whether incorporated status is appropriate for the future
- budget, funding and financial management processes, including how to collect, allocate and acquit fundraising and reserve income, and how to use reserve funding

- staff employment arrangements and support structures
- the approach for handling financial liabilities, including those associated with current staffing such as transferring leave liabilities
- processes for developing and refreshing educational program planning processes
- processes for developing digital information policies and procedures
- the approach towards access, inclusion and community engagement
- processes for planning service enrolment and for fulfilling priority of access policies
- occupancy arrangements for the premises (including facility-use arrangements for local government-owned premises)
- arrangements for ownership and maintenance of assets and other equipment, including procurement, asset management and retirement processes
- performance monitoring processes for the partnership
- dispute resolution processes.

The outcomes of these negotiations should be recorded throughout the process and reflected in a formal agreement that is signed by both parties.

For more information on negotiating a new EYM partnership, download the *Considering Kindergarten Cluster Management Guide*, available from the ELAA website.

### 3. Gaining Approval from the Department

The EYM organisation must submit a formal application to add any additional service. See *The Kindergarten Guide* for information about this process.

In assessing applications, the Department considers whether:

- there is a clear articulation of the roles and responsibilities within the partnership
- the operational model can support the successful transition of the new service, including assessing how the EYM organisation will make regular and direct contact with the service
- links to the relevant local government are in place e.g. does the EYM organisation have the completed local government letter of support and confirmation of participation in central enrolment processes (where applicable)
- any financial, performance or compliance concerns exist that may impede the successful integration of the service
- the transition plan is developed and ready for implementation.

At this time, the EYM organisation together with the Committee of Management should also submit a 'Notification of Transfer of Service Approval' form to the Department. They must do this at least 42 days before the transfer is to take effect. If the EYM application is not approved by the Department, the notification to transfer can be withdrawn.

For more information about transferring service approval, see the Quality Assessment and Regulation Division website [www.education.vic.gov.au/childhood/providers/regulation](http://www.education.vic.gov.au/childhood/providers/regulation).



### 4. Transitioning the Service into your EYM Organisation

It is important the EYM organisation and Committee of Management keep all their stakeholders, including service staff, families accessing or enrolled in the service, and the broader membership of the incorporated association, informed throughout the transition process.

EYM organisations must have a transition plan that outlines the process of transferring financial, industrial, regulatory and operational responsibilities. This plan should be developed in consultation with the Committee of Management and relevant stakeholders.

It is expected that during the transition phase, frequent and open communication will take place between the EYM organisation and the kindergarten service. This will lay a solid foundation for the future of the partnership.

Detailed requirements and steps to formalise the transfer of a service are in *The Kindergarten Guide*.

## PERFORMANCE MONITORING

**The ongoing integrity of high-quality EYM provision relies on a cycle of performance monitoring and improvement undertaken by EYM organisations.**

### Performance Monitoring and Evaluation

The Department will measure EYM performance against the achievement of EYM outcomes. This is done at organisational, regional and state levels.

The EYM Outcomes and Draft Performance Framework (from page 34) sets out the outcomes, activities and measures to track the impact of EYM in achieving improved outcomes for children. The framework draws together existing information gathered through Department funding and monitoring processes.

This includes:

- participation rates, particularly of vulnerable children
- feedback from families and parents
- compliance activity, and assessment and rating status
- organisational governance and financial acquittals provided as part of the Department's Funded Organisation Performance Monitoring Framework (FOPMF) and the Service Agreement
- organisational level improvements identified through the Department's monitoring and improvement processes.

The EYM Outcomes and Draft Performance Framework will be finalised in consultation with the EYM sector, and as the use of the framework matures.

At a regional and state level, aggregated data is analysed through this framework and used to inform strategic planning and policy development, ensuring the EYM system is positioned to respond to current and future priorities. The Department will share aggregated regional and state level data analysis with EYM organisations to support organisational planning and improvements.

The Department's regional offices are responsible for undertaking all performance monitoring tasks for EYM organisations. This includes completing departmental performance monitoring tasks in conjunction with the Department's FOPMF. The FOPMF uses data collection and financial accountability requirements that are specified in the Service Agreement.



At an organisational level, the Department's regional offices review and discuss EYM organisational performance each quarter. The Department's regional offices will also confirm whether the organisation has plans for expansion and how this will be supported.

For EYM organisations that operate within a number of regions, one departmental regional office will be appointed as the lead region. The lead region manages the Service Agreement and service monitoring tasks with the EYM organisation, and gathers information from all regions in which the EYM organisation operates.

If performance issues are identified, the Department will work constructively and in consultation with the EYM organisation to clarify concerns, identify potential solutions and develop plans to implement improvements.

If an EYM organisation's performance does not improve and it is not capable of delivering high-quality services, formal service review processes will be initiated in line with the Service Agreement. The Department may undertake further analysis of issues and provide advice on improving performance. If the Department has serious concerns about the capability of the EYM organisation, the Department will not recommend it as a potential provider for services interested in joining EYM.

## DISPUTE RESOLUTION PROCESS

**Irrespective of engagement and feedback obtained from families through performance monitoring processes (see page 11), some matters may escalate into disputes that require formal dispute resolution processes.**

Where issues emerge between an EYM organisation and an EYM employee, concerns will be addressed through the EYM organisation's human resources policies and monitoring channels.

Where issues emerge between an EYM organisation and the parents directly affected by the funded service (who in some cases are represented by a PAG), concerns will be addressed through the EYM organisation's formal complaint-handling and dispute resolution process.

The dispute resolution process should enable all parties to express their concerns regarding the EYM arrangement, and guide parties to a resolution. This may include the engagement of an independent mediator. You can find out more about the mediation process on the Dispute Settlement Centre of Victoria website at [www.disputes.vic.gov.au/mediation](http://www.disputes.vic.gov.au/mediation).

The Department can become involved in a dispute between a funded kindergarten service and an EYM organisation when all other dispute resolution processes have been exhausted (i.e. the EYM organisation's established dispute resolution process and other complaint handling processes, such as through the Fair Work Commission or the Australian Human Rights Commission).

If the Department becomes involved in a dispute, the Department's regional office will lead the process in close consultation with central office.

The Department's priorities when working with parties to address unresolved issues are to ensure:

- continuity of quality service provision for all children and families accessing the service
- all parties are working in alignment with the EYM Policy Framework and these guidelines
- integrity of EYM in Victoria.

The Department will work with the parties to resolve the issues by:

- understanding the respective concerns
- assessing and articulating the potential impact on achieving the priorities listed above
- consulting with other relevant stakeholders, including local government, to understand broader community needs and impact on service provision.

In cases where a mutually agreed solution cannot be found, the Department will make a final determination based on achieving the priorities listed above.

The Department's determination could result in one of the following decisions:

- continued operation of the existing EYM partnership arrangement – in this case, the Department will oversee any commitments made between the EYM organisation and the service to ensure they take place in a timely manner
- transition of the service from the current EYM organisation to another EYM organisation, or other arrangements.

Dispute resolution processes address significant issues affecting service quality, continuity, access and community confidence in the EYM sector.





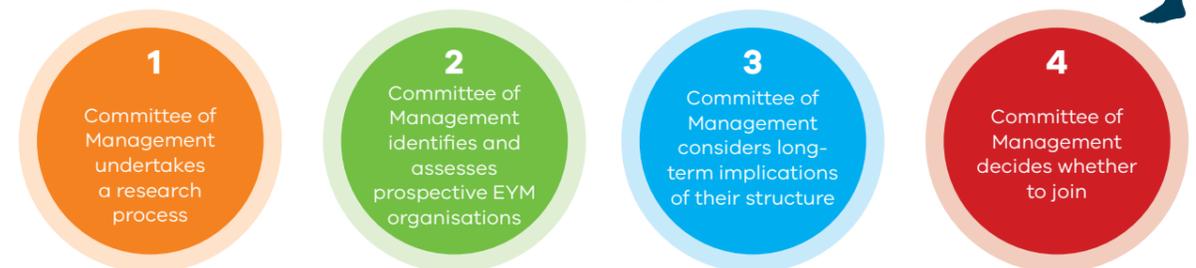
The Committee of Management must carefully consider the opportunities and implications of moving into an EYM partnership. The Committee of Management is obligated to ensure the decision is well-informed, understood and supported by families, and the service is well positioned to deliver improved outcomes for children.

# GUIDELINES FOR COMMITTEES OF MANAGEMENT

## CONSIDERING WHETHER TO ENTER AN EYM PARTNERSHIP

An EYM partnership is a long-term arrangement driven by the opportunity to improve outcomes for children, and for the mutual benefit of stakeholders.

The decision to enter into an EYM partnership arrangement is made by the Committee of Management, representing an incorporated association responsible for the provision of the kindergarten service, and in consultation with parents, families and the community.



### 1. Undertaking Research

The Committee of Management of a kindergarten service must conduct in-depth research before entering an EYM arrangement. The research should determine whether the partnership will be of benefit to children and families accessing their service, as well the broader community.

The decision should be driven by the primary principle that a move to an EYM organisation will result in improved educational outcomes for children.

#### What are the benefits of EYM?

Transitioning into EYM organisation benefits children, parents, families, the kindergarten program and the broader community by:

- providing families with the time and flexibility to participate in the kindergarten program, without the need for them to manage and deliver the service
- engaging established expertise in the delivery and management of quality early childhood education
- ensuring the sustainability of the service through effective strategic and business planning processes
- promoting greater integration and coordination of early childhood services at a local level
- improved planning and provision of kindergarten programs that are responsive to the needs of the local community.



EYM organisational structures and processes benefit educators by providing:

- regular, direct and professional support to sustain and develop quality practice
- informed leadership in contemporary and evidence-based teaching methods
- access to high-quality professional development
- the opportunity to participate in internal and external communities of practice that enable knowledge sharing and reflective practice
- career pathways and mentoring that enables staff to deepen and extend their practice and progression within the sector.

#### Understanding the change in roles and responsibilities

As a first step in the research process, the Committee of Management should ensure they have a clear understanding of an EYM's roles and responsibilities and the operational parameters of EYM organisations. In particular, the Committee of Management must understand the implications of the change

to their role – from delivering and managing all aspects of the kindergarten service, to providing advice and support to the educational program at the service.

**Please note:** In reference to this change in role, these guidelines refer to Committee of Management as parent structures prior to the EYM arrangements being confirmed, and PAG once the agreement is implemented.

In EYM-managed kindergarten services, EYM organisations work closely with families to ensure they are responsive to the specific needs of the community. Families may choose to actively engage with the EYM organisation by participating in the volunteer PAG. As well as providing advice and support to the educational program, the PAG establishes processes that ensure there is regular communication with all families and parents whose children attend the service.

The Committee of Management must agree to their change in role and potential governance structures prior to identifying and assessing a prospective EYM partnership.

When the service joins an EYM organisation, there will be:

- an alignment of service processes and policies with those of the EYM organisation
- new structures put in place to enable PAG participation, which will be determined by whether or not the PAG retains incorporated status
- a focus on direct contact with families and parents to find out how they feel about service delivery
- reduced family and parent involvement in administration of the service
- new processes for the EYM organisation to engage with the Department and local government
- continued development and delivery of an educational program which caters to the needs, interests and experiences of each child at the service, in accordance with an approved learning framework.

The *Considering Kindergarten Cluster Management Guide* provides detailed information about what to consider and the steps to follow during this research process. The Department and ELAA can also provide guidance and assistance.



## 2. Identifying and Assessing Prospective EYM Organisations

Once the Committee of Management has researched and identified that it would be beneficial to join an EYM organisation as a partner, they should notify the Department.

Based on information in each EYM organisation's growth plan, the Department will identify EYM organisations that are in a position to take on a new service. The Department will notify these EYM organisations of the opportunity and provide the list of potential EYM organisations to the Committee of Management.

The Committee of Management is then to undertake an assessment process, examining the suitability of potential partnerships. They must consider how the vision, culture and philosophy of the EYM organisation aligns with theirs.

#### Engaging in a two-way exchange of information

The Committee of Management will request specific information from EYM organisations to gain a deeper understanding of how the service will operate within EYM arrangements.

This includes:

- details of the organisational structure
- strategic direction
- relevant compliance history
- NQF assessment and rating status for other services within the organisation
- processes that enable families and parent participation
- cost structures and service fees that may apply.

The Committee of Management may also be asked to make available accurate service information to the EYM organisation, such as:

- relevant compliance history
- details of any facility-use arrangements
- NQF assessment and rating status
- legal, industrial, financial and operational status of the service.

This allows the EYM organisation to identify issues that may affect successful integration of the service into their organisation.

More information can be found in the *Considering Kindergarten Cluster Management Guide*.

#### Consulting with stakeholders

During the research phase, it is critical the Committee of Management establishes a consultative process with the service's staff, the wider community of families, parents and local stakeholders. This ensures all relevant parties that have an interest in the future arrangements for the service understand the decision-making process.

#### Consulting with local government and Early Learning Association Australia (ELAA)

To make a decision that best meets the needs of the service, the Committee of Management must consult with local government and may consult with ELAA.

- If the service currently operates in a local government-owned facility, the Committee of Management and the EYM organisation must discuss facility-use arrangements with local government and gain agreement on future use before formalising the partnership
- ELAA is available to guide and support the Committee of Management through the process.

Identifying shared opportunities to improve outcomes for children is a critical consideration.

### 3. Considering Long-term Implications

The Committee of Management operates the kindergarten service on behalf of the incorporated association. When the Committee of Management elects to join an EYM organisation, the incorporated association will decide to either:

- retain their incorporated status, or
- move towards cancelling their incorporated status.

The Department recommends the Committee of Management seek legal advice to determine the impacts of changing its legal status, such as those related to insurance and financial management.

The Consumer Affairs Victoria website provides information for incorporated associations.

#### Retaining incorporated status

Given the incorporated association will no longer be responsible for the management and delivery of the service, there must be a clear rationale and purpose for remaining incorporated.

In this case, it is recommended the incorporated association considers changing the constitution and governing structure to accurately reflect the changed role and purpose of the Committee of Management – from a management committee to providing advice and support for the implementation of the kindergarten program at the service.

If the incorporated association remains, the new PAG must continue to ensure that all legal responsibilities set out in the *Associations Incorporation Reform Act 2012* are met. This includes maintaining financial accounts (including records of fundraising monies), filing annual statements with the relevant authority, and record keeping for any other operations or activities of the incorporated association.

More information about the responsibilities of an incorporated association is on the Consumer Affairs Victoria.

The EYM organisation and Committee of Management can agree that the service will retain its incorporated status, with a view

to cancelling or winding it up in the future (typically after 12 months). This enables both parties to build a trusting relationship before the Committee of Management relinquishes its incorporated status. If this is agreed, it should be recorded in the EYM Partnership Agreement.

#### Cancelling or winding up incorporated status

Because the EYM organisation takes on the role of the approved provider of the service and staff employer, the main purpose for the establishment of the incorporated association no longer exists.

In this case, the service may choose to cancel or wind up its incorporated status, so it can negotiate new ways for families and parents to provide input into their children's kindergarten experience.

If the incorporated association decides to cancel or wind up they must plan the process in close consultation with the EYM organisation they are partnering with, and ensure that all specific legal requirements under the *Associations Incorporation Reform Act 2012* are met.

More information about voluntary cancellation and winding up incorporated associations is available from Consumer Affairs Victoria.

### 4. Deciding Whether to Join

When making a decision to move a stand-alone kindergarten service into an EYM arrangement, the Committee of Management must comply with the requirements of their constitution, or the rules of the Act under which they are incorporated. They must inform all members of the association and undertake all the appropriate decision-making processes. This includes holding a public meeting.

If a decision is made to join an EYM organisation, the Committee of Management should advise the Department and their local government of this intention – particularly if their service operates in a local government-owned facility.

The Committee of Management is to document the research process they have undertaken in considering an EYM arrangement, including the outcome and rationale behind their decision. This documented consultative process ensures that families and parents involved in the service, at present and in the future, understand the decision.





The Department recommends the Committee of Management and EYM organisation negotiate and clearly define the roles and responsibilities of both parties.

## NEGOTIATING AN EYM PARTNERSHIP

After the Committee of Management has assessed the EYM organisation and both parties agree that the proposed partnership will be mutually beneficial, they negotiate an agreement to formalise the EYM partnership.



### 1. Negotiating the Partnership Agreement

The Department recommends the Committee of Management and EYM organisation negotiate and clearly define the roles and responsibilities of both parties. This ensures each has a good understanding of how the partnership will operate. See page 9 for points to consider in this stage.

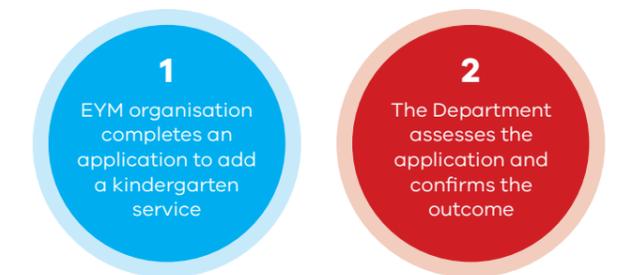
The outcomes of these negotiations should be recorded throughout the process and finally documented in a formal agreement that is signed by both parties.

### 2. Gaining Legal Advice on Cancelling or Retaining Incorporated Status

Where appropriate, the Committee of Management should seek professional legal advice on the impact of cancelling or retaining their incorporated status. See page 18 for more information.

## FINALISING AN EYM PARTNERSHIP / APPLICATION PROCESS

To finalise your EYM partnership, the Department must see it is consistent with the EYM organisation's strategic growth plan, that the EYM organisation has the capacity to support the new service, and that the EYM partnership is consistent with local municipal planning.



### 1. EYM organisation completes an application to add a kindergarten service

The EYM organisation must formally apply to the Department to add any additional service(s). Evidence of Committee of Management agreement, and consultation with local government with a letter of support (where council own the facility in which the service is located), and evidence of the Committee of Management's agreement to the arrangement is required.

At this time, the EYM organisation together with the Committee of Management should also submit a 'Notification of Transfer of Service Approval' form to the Department. They must do this at least 42 days before the transfer is to take effect. If the Department does not approve the EYM application, the notification to transfer can be withdrawn. For more information about transferring service approval see the Quality Assessment and Regulation Division website [www.education.vic.gov.au/childhood/providers/regulation](http://www.education.vic.gov.au/childhood/providers/regulation).

### 2. The Department Assesses the Application and Confirms the Outcome

The Department will assess the application and notify both parties and the relevant local government of the outcome.

## TRANSITIONING INTO AN EYM ARRANGEMENT

**The EYM organisation and Committee of Management work together to successfully transition the service.**

Before the transition, the EYM organisation and Committee of Management exchange documentation, such as kindergarten service policies and processes, governance information, all financial records, and program performance information such as recently completed quality improvement plans.

For a smooth transition, the Committee of Management must:

- fully inform relevant stakeholders of the transition arrangements e.g. advise staff of transfer of employment processes, advise members of the incorporated association of how to implement changes to its legal entity or structure
- work alongside the EYM organisation to implement a formal induction process and EYM policies and procedures
- welcome the PAG, staff and all relevant local stakeholders into the EYM organisation's arrangements
- finalise any transitional facility arrangements with the facility owner.

Requirements and steps to formalise the transfer of a service are in *The Kindergarten Guide*.

If an application is successful, the EYM organisation works in collaboration with the Committee of Management to transition the service.



## WORKING IN PARTNERSHIP WITH AN EYM ORGANISATION

**The relationship between the PAG and the EYM organisation is critical to successful delivery of the kindergarten program. Through close collaboration, both parties work to deliver improved outcomes for children.**

### Engaging the Wider Community of Families and Parents

In collaboration with the EYM organisation, the PAG establishes processes that ensure regular communication with families and parents whose children attend the service. This gives families a way of actively contributing to their children's kindergarten experiences.

Examples of how the PAG may engage the wider community of families and parents include:

- implementing formal processes for welcoming all new PAG members
- establishing processes for receiving feedback about the kindergarten programs, including reporting on any issues or concerns about kindergarten program delivery.

### Fundraising

A PAG may raise funds to benefit the kindergarten program. Funds may go towards initiatives such as buying new playground equipment, or invest in activities that benefit the entire EYM organisation such as training to support the educators.

The EYM partnership agreement should outline the fundraising arrangements negotiated between the EYM organisation and the kindergarten service. These arrangements will detail how funds are to be used to support the quality and viability of service provision, and meet the needs of children, families and the broader community.

Before raising funds, a PAG should liaise with the EYM organisation to discuss and agree on the fundraising activity, including how funds will be used. This is a consultative process that allows the:

- PAG to advise the EYM organisation about the needs of the service
- EYM organisation to confirm the approach is consistent with regulatory and legislative requirements.

Where funds have been raised by the PAG, the EYM organisation will make expenditure reports available to the PAG, outlining how the funds have been used. The PAG may request further information if required.

Organisations looking to establish themselves as an EYM organisation undergo a comprehensive application process.

# GUIDELINES FOR PROSPECTIVE EYM ORGANISATIONS

## BECOMING AN EYM ORGANISATION

By overseeing this process, the Department aims to ensure that every community has access to a sustainable EYM organisation – one that has the ability to provide high-quality kindergarten programs focused on improving outcomes for children.



### Eligibility

An EYM organisation must:

- be a local government or community-based, not-for-profit organisation
- comprise a minimum of 3 community-based services, provided by incorporated associations run by volunteer Committee of Management that offer a funded kindergarten program.

### 1. Assessing the Need for a new EYM Organisation

For the Department to approve a new EYM organisation, there must be an identified gap within the existing EYM service system. For information about the Department's strategic planning role see the EYM Policy Framework.

Before embarking on the process of becoming an EYM organisation, prospective service providers must contact the Department to

discuss the details of the EYM model they intend to implement and the services that will be provided. These initial discussions are critical in helping prospective EYM organisations understand the demands of delivering EYM services, the outcomes they will be required to achieve and whether this aligns with the organisation's priorities and directions.

In assessing the need for a new EYM organisation, the Department will consult with strategic partners in considering the:

- capability and growth plans of existing EYM organisations to meet current and future demand
- current choice of EYM organisations, to cater for the needs of a diverse range of kindergarten services
- implications for existing funded EYM organisations
- impact on local government planning for the municipality.

While most EYM organisations work within one or a number of neighbouring local government areas, some may wish to represent a community of interest that operates on a broader geographic catchment.

Where the Department determines that a new EYM organisation may positively contribute to the strengthening of EYM, the Department will invite the party to undertake the application process.

The process to become an EYM organisation is thorough and can take up to 12 months to complete. During this time, the Department may provide guidance and support to the prospective EYM organisation.

## 2. Demonstrating Organisational Capability

During the application process, the prospective EYM organisation must demonstrate their capability to deliver a high-quality service. The application process requires the candidate to outline how their organisation has:

- a comprehensive understanding of how EYM works in Victoria
- strong and relevant operational structures in place
- the capability to fulfil EYM responsibilities (see the EYM Policy Framework)
- a track record of working in partnership with families and local government.

### A comprehensive understanding of how EYM works

The prospective EYM organisation must demonstrate a clear understanding of how EYM operates at an organisational and strategic level. This includes knowledge of:

- the implications of providing services consistent with the EYM Policy Framework and Guidelines
- kindergarten service provision requirements outlined in *The Kindergarten Guide*
- the NQF, and approved learning frameworks such as the Victorian Early Years Learning and Development Framework (VEYLDF).

### Strong governance structures

EYM organisations are required to have robust governance arrangements in place that reflects the following<sup>1</sup>:

- a strong commitment to ethical values
- open, proactive and comprehensive stakeholder engagement
- an outcomes focus that guides organisational performance
- controls that identify and manage risk
- transparent and accountable operation
- an equitable and inclusive operation
- an effective and efficient operation.

A prospective EYM organisation is required to provide evidence of effective governance structures that reflect the elements listed above, as they relate to the delivery of the kindergarten and early years services.

This includes:

- an outline of governance structures that are in place or will be adapted within the organisation to ensure service provision is consistent with the EYM policy
- governance documentation, such as the most recent annual report, financial statements, board statements, strategic plans and organisational policies and procedures, and staff management and human resources policies
- consultative structures that enable families and PAGs to contribute to the decision making that impacts on their children's educational experiences.

## 3. The Department Assesses the Application

The Department assesses the application and determines if the candidate demonstrates the required capabilities to deliver on the EYM vision and outcomes.

The Department may invite the prospective EYM organisation to a face-to-face interview to discuss their application. The Department will consult with the relevant strategic partners, local government, the Quality and Assessment Regulation Division and referees as part of the assessment process.

The Department will then notify the prospective EYM organisation on the outcome of their application and initiate the Service Agreement process.

1. Adapted from Chartered Institute of Public Finance and Accountancy and the International Federation of Accountants (2014). International Framework: Good Governance in the Public Sector. The Auditor-General, ANAO, was a member of the International Reference Group established to develop and validate this model. United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), What is good governance, <http://www.unescap.org/pdd/prs/projectactivities/ongoing/gg/governance.asp>



## ACRONYMS & GLOSSARY

### A

**Approved provider** – Approved provider status is granted under the *Education and Care Services National Law Act 2010*. It is the first step towards operating an education and care service. The EYM organisation is the approved provider of all services within its organisation.

### C

**Committees of Management** – The group of volunteer family members and parents that operates a kindergarten service on behalf of the incorporated association. The group is the approved provider and is legally responsible for a stand-alone community kindergarten. The decision to enter into EYM is made by the Committee of Management on behalf of, and in consultation with the wider community of families and parents.

### D

**The Department** – Department of Education and Training.

### E

**ECEC** – Early Childhood Education and Care.

**Early Learning Association Australia (ELAA)** – A peak organisation representing early childhood services and EYM organisations. ELAA represents the views and issues that impact on parents, and on the service providers who are working to deliver high-quality early learning programs to all children. See [www.elaa.org.au](http://www.elaa.org.au) for more information.

**Early Start Kindergarten (ESK)** – A Victorian government grant, which provides free or low-cost kindergarten services to vulnerable 3-year-old children.

**Early Years Management (EYM)** – Formerly known as Kindergarten Cluster Management, EYM brings together a group of community-based kindergartens and other early years services under the management of a single organisation.

**Education and Care Services National Law Act 2010** (the National Law) **and Education and Care Services National Regulations 2014** (the regulations) – The National Law and the regulations set out the legal minimum standards for education and care services e.g. space requirements, educator-to-child ratios and educator qualifications.

**EYM Organisation** – The organisation responsible for the overall management and delivery of kindergarten and other early years services under their organisation. They work closely with other EYM partners (the Department, local government, families and PAGs).

**EYM Partners** – The four-way partnership between the Department, local government, EYM organisations and families, that forms the base of EYM in Victoria and improves educational outcomes for children.

**EYM Partnership Agreement** – A formal agreement between the EYM organisation and the service, which sets out roles and financial arrangements.

**EYM Partnerships** – The direct partnership between an EYM organisation and the early childhood education and care service(s) that the organisation manages.

**Early Years Services** – Services supporting the learning and development of children aged 0-8 years, such as kindergartens, play groups, long day care and occasional care. Some EYM organisations provide a number of these services.

## F

**Funded Organisation Performance Monitoring Framework (FOPMF)** – The framework the Department uses to monitor the performance of organisations it funds to deliver programs, including kindergartens and EYM organisations.

**Funding and Service Agreement** – The contractual agreement between the Department and a funded entity, such as an EYM organisation or stand-alone kindergarten. It sets out roles and funding arrangements.

## I

**Incorporated Association** – A legal structure adopted by a not-for-profit community organisation to formalise how the organisation operates and trades. Typically a kindergarten service that is an incorporated association before it enters into an EYM arrangement is run by a Committee of Management. Some Committees of Management may retain their incorporated status after joining an EYM organisation. More information is on the Consumer Affairs Victoria website.

## L

**Local Government Area** – LGA

**Long day care** – Primarily aimed at 0-6 year-olds, long day care may offer a funded, teacher-led kindergarten program.

## M

**Municipal Association of Victoria (MAV)** – The legislated peak body for Victoria's 79 local government organisations. MAV, through a partnership agreement with the Department, provides policy advice to local government and the Department, and strengthens the ongoing operation of EYM in Victoria. See [www.mav.asn.au](http://www.mav.asn.au) for more information.

**Municipal Early Years Plan (MEYP)** – The plan that details the strategic directions for the coordination of educational, care and health programs and activities, and other local developments that impact on children from birth to the school entry age.

## N

**National Quality Framework (NQF)** – The NQF includes the National Law, the regulations, and the National Quality Standard. The NQF focuses on raising standards, and guides ongoing advances and stability in Australian education and care services. See [www.acecqa.gov.au/national-quality-framework](http://www.acecqa.gov.au/national-quality-framework) for more information.

**National Quality Standard (NQS)** – The standard by which all education and care services are assessed and rated under the NQF. Services are rated as Working Towards, Meeting or Exceeding the NQS.



## P

**Parent Advisory Group (PAG)** – The group of family members and parents that EYM organisations primarily consult with about a managed service within the EYM organisation. Membership is voluntary and open to all families whose children currently access the EYM service.

## Q

**Quality Assessment and Regulation Division (QARD)** – The regulatory authority for education and care services in Victoria that:

- ensures the safety, health and wellbeing of children using those services
- manages the assessment and rating of services against the NQS

QARD is a division of the Department and comprises a central office and nine area-based teams across the state.

**Web**

[www.education.vic.gov.au/childhood/providers/regulation/Pages/default](http://www.education.vic.gov.au/childhood/providers/regulation/Pages/default)

**Email**

[licensed.childrens.services@edumail.vic.gov.au](mailto:licensed.childrens.services@edumail.vic.gov.au)

**Phone**

1300 307 415

## S

**Service Agreement** – The contractual agreement between the Department and an EYM organisation or stand-alone kindergarten that sets out roles and funding arrangements.

**Service Monitoring Framework** – The framework the Department uses for monitoring service agreements with EYM organisations and stand-alone kindergartens.

## V

**VEYLDF** – Victorian Early Years Learning and Development Framework.





## APPENDIX 1: EYM OUTCOMES AND DRAFT PERFORMANCE FRAMEWORK

### INTRODUCTION

**The purpose of the EYM Outcomes and draft Performance Framework is to provide a set of sample measures – used at an organisational, regional and state level – to determine how effective EYM organisations are in improving outcomes for children.**

This framework is a working document. The Department will finalise the framework as its use matures. It may need to implement additional measures for data collection or modify data collection tools. If so, this will be done in consultation with the sector, with a view to streamlining existing requirements.

For EYM organisations, this framework is a tool that ensures its performance is monitored consistently and that issues and areas for improvement are continuously identified. The framework encourages EYM organisations to focus on quality improvements, think strategically and work towards achieving each of the EYM outcomes.

For the Department, the framework provides a set of transparent performance measures used to monitor the performance of individual EYM organisations, and to build a picture of the overall value and impact of EYM in Victoria.

At a regional and state level, the Department uses the framework to identify any necessary adjustments to EYM policy and its implementation where there is evidence that EYM is not delivering intended outcomes.

The framework uses existing data sources (such as NQS ratings) and data likely to already be collected by the majority of EYM organisations (such as family satisfaction surveys), to reduce data collection requirements on EYM organisations.

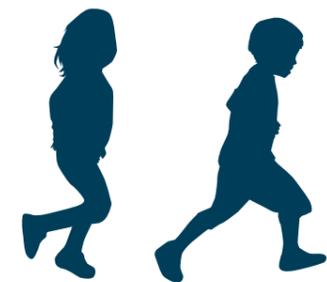
The EYM outcomes were developed using evidence that identified key elements for providing high-quality service delivery. While the outcomes remain consistent, not every activity listed against each EYM outcome will be feasible for every EYM organisation. Rather, they indicate areas to focus on to ensure that the EYM system improves outcomes for children. As the use of the framework matures, it is expected that more of the activities and measures will be embedded in EYM organisations' planning and operations.

The aim of EYM is to deliver high-quality, accessible and sustainable community-based early years care and education across Victoria. This is achieved by leading improvements in service delivery and educational outcomes for children.



**VISION**

EYM is the leading platform to achieve improved outcomes for all young children, through the delivery of world-class, accessible early childhood education and care services.



## EYM OUTCOMES AND DRAFT PERFORMANCE FRAMEWORK

EYM Outcomes	Systems and Processes to Achieve Outcomes	Organisational Measures to Track Performance
<p><b>Foundation</b></p> <p><b>Sustainable and responsive services</b></p> <p>EYM organisations are sustainable, viable and responsive to children, families and communities. They are built on strong and effective governance, partnership arrangements and robust funding models. The community has confidence in EYM.</p>	<ul style="list-style-type: none"> <li>Effective governance systems are in place to support transparent decision-making processes and management systems</li> <li>Financial management processes are transparent, accountable and ensure ongoing sustainability and investment into quality improvement</li> <li>Monitoring and review processes continuously improve EYM organisational practices</li> <li>Regular strategic and operational planning processes respond to challenges and opportunities for the EYM organisation and the local community</li> <li>Community engagement is embedded in EYM operations, allowing tailored services that are responsive to family lives and community interests</li> <li>EYM organisational structures enable appropriate levels of support to managed services</li> </ul>	<ul style="list-style-type: none"> <li>Quality and completeness of governance documentation, including an annual report, financial statements, board statements and organisational policies and procedures</li> <li>*Services rated as Exceeding the NQS; QA 7 (Leadership and Service Monitoring) rated at Exceeding; proportion of QA 7 that move from Working Towards to Meeting or maintained at Exceeding</li> <li>Quality and completeness of financial documentation, including the preparation of budgets and regular financial reporting</li> <li>Feedback about service quality is collected and used to inform improvement</li> <li>Regular communication with all stakeholders</li> <li>An annual review of the strategic plan/growth plan, showing that the organisation operates in alignment with policy reforms and is well positioned to implement innovation</li> <li>Desk Top Review indicates that the organisation is solvent and financially stable</li> <li>Processes are in place to regularly identify and manage risks, including compliance with NQF</li> <li>Funding service agreements and additional legislative, regulatory and contractual obligations are met</li> </ul>



\*Indicates measures used at a state and regional level to measure the overall performance of EYM in Victoria.

EYM Outcomes	Systems and Processes to Achieve Outcomes	Organisational Measures to Track Performance
<p><b>Access and participation</b></p> <p>EYM organisations drive high levels of participation for all children, in particular for those who are experiencing the highest level of vulnerability and disadvantage.</p>	<ul style="list-style-type: none"> <li>Access for those children and families who experience disadvantage is a high priority</li> <li>Educational leaders and educators undertake professional development and implement effective cultural and inclusive practices</li> <li>Data on local participation rates informs planning and policies for engagement strategies</li> <li>Engagement strategies respond to the specific needs of the community</li> <li>Collaborative practices are adopted when working with other universal, secondary and tertiary services to support engagement and sustained participation e.g. working with other services to support and facilitate access</li> <li>There is participation in state and local service coordination processes, such as Central Enrolment (where applicable), and policy initiatives like Priority of Access and Out-of-Home Care agreement</li> <li>Key contact within the EYM organisation to support and facilitate access and participation processes and policy initiatives such as Priority of Access and Out-of-Home Care agreement</li> </ul>	<ul style="list-style-type: none"> <li>*Increased participation of vulnerable children and their families e.g. the proportion of health care card holders accessing the service, number of Early Start Kindergarten (ESK) enrolments</li> <li>*Services rated as Exceeding the NQS. Proportion of Quality Areas that move from Working Towards to Meeting or maintained at Exceeding</li> <li>An approved learning framework is implemented</li> <li>Demonstrated compliance with <i>The Kindergarten Guide</i>, especially regarding priority of access</li> <li>Networks facilitate the participation of vulnerable children are established and maintained e.g. establishing processes with Child FIRST identify and link children that are eligible for ESK</li> <li>*EYM services are part of the Local Government Central Enrolment system</li> <li>Enrolments are representative of the local community</li> </ul>





## EYM Outcomes

### Quality and innovation

EYM organisations lead an exemplary early years system in Victoria by implementing contemporary, evidence-based improvements in teaching and learning, by continuously improving organisational capacity, and by contributing to the capacity of the broader sector.

### Highly skilled, collaborative workforce

EYM organisations recruit, retain and invest in a highly skilled, collaborative workforce.

## Systems and Processes to Achieve Outcomes

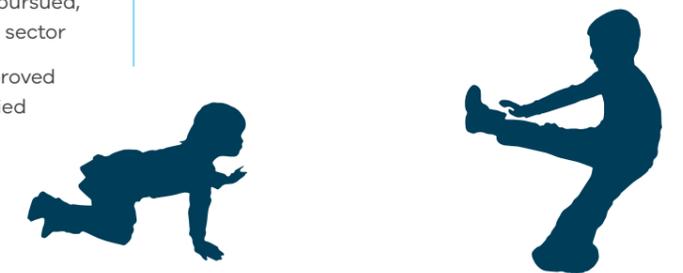
- High-quality, innovative policies, projects and practices are implemented
- All staff regularly reflect on their practice and share expertise and knowledge
- Processes are established to monitor and evaluate organisational effectiveness, facilitating continuous improvement
- Opportunities for innovation and evidence-based practice are pursued, and these are shared with the sector
- The practice principles of approved learning frameworks are applied with confidence

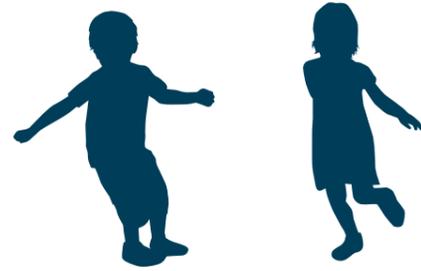
- A system is in place to recruit, develop and retain high-quality staff
- All staff are supported to access high-quality professional development opportunities relevant to their role in achieving the EYM outcomes
- Organisational processes and mentoring enable career development and progression within the sector
- Staff participate in collaborative professional networks – both EYM-specific and extending to other professions, such as allied health and school education
- Induction processes are established to support new staff and educators
- Organisational structures and practices ensure that regular and direct support is provided to staff and educators and that the types of support needed feed into broader organisational planning
- Long-term planning for workforce requirements drives recruitment strategies and the development of internal capability

## Organisational Measures to Track Performance

- \*Services rated as Exceeding the NQS. Proportion of Quality Areas which move from Working Towards to Meeting or maintained at Exceeding
- Participation in innovative processes that improve teaching practice, sector capability or access for vulnerable children
- Demonstrated leadership and innovation within the sector or the community e.g. presenting and participating in relevant local forums

- \*Exceeding NQS. QA 1 (Educational program and practice), QA 4.2 (Staffing arrangements) and QA 7 (Leadership and Service Monitoring) rated at Exceeding; proportion of QAs 4 and 7 that move from Working Towards to Meeting or maintained at Exceeding
- Participation by all ECEC professionals in professional learning programs that are linked to individual performance and development plans
- Demonstrated staff retention strategies
- HR indicators, such as increased satisfaction with professional development, decreased staff turnover, and decreased use of agency staff
- Staff survey that shows increased participation and satisfaction
- Families survey that shows an improvement in satisfaction





## EYM Outcomes

## Systems and Processes to Achieve Outcomes

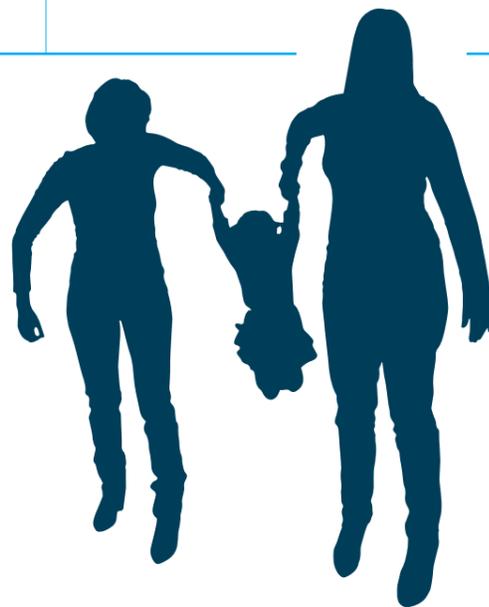
## Organisational Measures to Track Performance

### Strong partnerships

EYM organisations collaborate with all EYM partners, community organisations, schools and other early years stakeholders, to lead the development and coordination of quality services that improve outcomes for children.

- Partnerships are established with clearly defined roles and terms of reference
- Processes are established with families that communicate and facilitate parental involvement in their children's educational experience
- Active participation in local government planning processes e.g. Municipal Early Years Plans
- Active participation in place-based, multi-disciplinary initiatives is evident e.g. Best Start and Linking Learning
- Processes are established to support transition points along the continuity of learning, from play groups to kindergarten and into schools

- \*Strong engagement and contribution to local planning processes, including Municipal Early Years Planning processes
- \*Demonstrated participation in Local Government Central Enrolment system (where applicable)
- \*Exceeding the NQS (QA 6.3 Service collaborates with other organisations and service providers to enhance children's learning and wellbeing); proportion of QA6 that move from Working Towards to Meeting or maintained at Exceeding
- Evidence of local government engagement and contribution
- Family survey that shows increased participation and satisfaction
- Health and developmental concerns are detected early and families are referred to appropriate supports





**Department of Education and Training**

GPO Box 4367

Melbourne, Victoria 3001

**[www.education.vic.gov.au](http://www.education.vic.gov.au)**