

BUILDING BLOCKS:

THE VICTORIAN GOVERNMENT'S THREE-YEAR-OLD KINDERGARTEN INFRASTRUCTURE STRATEGY

3-YEAR-OLD KINDER

Best Start

Best Life



Victoria is leading the nation when it comes to early childhood education. In an Australian-first, we are introducing universal funded Three-Year-Old Kindergarten to lift children's learning and development outcomes and help to reduce the cost of living for families.

In the Education State, we believe in the power of high-quality early childhood education to transform the lives of young people. The Victorian Government has committed to making Victoria's early childhood education system **bigger, better and fairer**.

This commitment includes **\$1.68 billion** for building the Education State, through co-investments in early childhood infrastructure. This will be the largest investment in early childhood infrastructure in the state's history.

As part of the 2019/20 State Budget, the Victorian Government has made the first investment of **\$881.6 million** over five years to deliver this reform, including **\$473.2 million** for early childhood infrastructure. So far, we have already invested **\$5.3 million** in infrastructure for 2020 and 2021 roll-out areas, in consultation with these Local Government Authorities (LGAs) and services.

By introducing universal funded Three-Year-Old Kindergarten, the Victorian Government is committing to working in even closer partnership with LGAs, providers and services, unions, peak bodies, professionals, families and community organisations.

Early childhood infrastructure is critical to the success of this reform. How we work together to optimise existing resources across the sector and deliver new projects when and where they are needed will make the difference to children, families and communities across the state.

We have been listening closely to our sector and local government partners, and peak bodies, through the Kindergarten Capacity Assessment Program survey and other consultations.

This Three-Year-Old Kindergarten Infrastructure Strategy responds to what we have heard, and sets out the approach for investing the Victorian Government's record infrastructure funding in the most effective ways possible.

To support this approach, the Victorian Government is committed to providing the right support to achieve this reform, including giving:

- **greater certainty**
- **greater flexibility**
- **greater investment.**

PROGRESS AT A GLANCE

In 2020, **six** local government areas across **rural and regional** Victoria started delivering universal funded Three-Year-Old Kindergarten programs: Buloke, Hindmarsh, Northern Grampians, South Gippsland, Strathbogie and Yarriambiack.

More than **600** children in **36 services** are now benefiting from **up to 15 hours** each week of funded Three-Year-Old Kindergarten programs.

Collectively, we are at the start of delivering this reform, and we have already made great progress. This has been achieved through strong, positive partnerships with the early childhood sector and LGAs.

We commend the sector's commitment to the reform, demonstrated by the dedicated work of LGAs, peak bodies, unions, service providers (including Early Years Managers), teachers, educators and many others, and appreciate their significant efforts to implement this reform so far, which have been instrumental to its success.

This early implementation experience has shown what is possible when everyone across the sector is contributing, combining their efforts – small and large – and doing their part to help children and families.

As children and families across the six 2020 roll-out areas start to experience the benefits of universal funded Three-Year-Old Kindergarten, it is the right time to focus our combined efforts on the next phase, and build on the crucial roles that each organisation and individual is playing in delivering this reform for Victorian children.





2020 ROLL-OUT KEY FACTS AND STATS

- Providers and LGAs worked with Department of Education and Training (DET) to come to the best delivery and investment solutions for each location.
- At least **30 per cent** of 2020 services made substantial change to their programming so they could offer more children a place in a funded kindergarten program.
- **95 per cent** of early childhood education and care services in Victoria took part in the Kindergarten Capacity Assessment Program survey – the largest ever survey of Victoria's early childhood education and care sector.
- **32** projects were supported by the 2019-20 Children's Facilities and Capital Program to provide Three and Four-Year-Old Kindergarten places.
- **Three** projects are already underway to deliver kindergartens on existing school sites.

OUR INFRASTRUCTURE APPROACH

This Strategy outlines approaches to providing investments and additional supports where and when they are needed most, as well as supporting the sector to make the best and most effective use of resources already available.

DET has developed the Building Blocks program, an overarching investment program to support the sector that includes 'Building Blocks Partnerships', Kindergartens on School Sites and a new, single grants program, which incorporates the existing Children's Facilities Capital Program and Inclusive Kindergartens Facilities Program.

While the first stage of reform in 2020 areas has started successfully, we must grow and adapt as the scale, size and complexity of the reform increases.

All partners will need to be creative and innovative, and continually look for ways to improve and build on success. We know that these are qualities already strongly demonstrated by the sector, proven during the roll-out of 15 hours of kindergarten for four-year-olds and every day in communities across Victoria. Together, we are well equipped to deal with the challenges and make the most of the opportunities.

MAKING THE MOST OF EXISTING INFRASTRUCTURE

There are around 2,400 services currently delivering funded Four-Year-Old Kindergarten programs in Victoria. We will work with these services and providers to maximise their enrolments and make even better use of these facilities.

Children can often be accommodated through existing spare places, and through services 'unlocking' unused capacity. This can make delivery of high-quality programs quicker, easier and more viable for services and providers, as we have seen in the 2020 roll-out areas.

Before progressing with infrastructure funding solutions, DET will work with providers to make sure existing capacity is being optimised. This will mean infrastructure investment is targeted to the locations that need it most.

There are a range of incremental changes that providers of existing services can make to support access for more children to high-quality programs, including:

- additional programs
- different timetables, including running 7.5 hour days
- the model of delivery, such as introducing rotational models or mixed-age groups
- degree-qualified kindergarten teachers leading integrated kindergarten programs in long day care settings.

Three-Year-Old Kindergarten Infrastructure Funding Streams

Building Blocks program				
KINDERGARTENS ON SCHOOL SITES Funding for new kindergartens on existing and new school sites. The government has committed to ensuring that there is a kindergarten onsite or next door to every new government primary school that opens from 2021.	MODULAR KINDERGARTEN FACILITIES High-quality and sustainable modular kindergarten facilities available through capital funding. These can be flexibly deployed in partnership with LGAs or other providers.	CAPACITY BUILDING GRANTS STREAM Grants for new and expanded early learning facilities that create capacity.	IMPROVEMENT GRANTS STREAM Grants for upgrades and minor expansions of existing facilities. Investment in IT equipment.	INCLUSION GRANTS STREAM Upgrades to existing facilities to create a safe and inclusive environment for all children. Equipment to create a safe and inclusive environment for all children.
		Expansions	Minor infrastructure	Buildings and playgrounds
		New Early Learning Facilities	Early Learning Facility Upgrade	
		Modular kindergarten facilities	IT	Equipment
		Integrated Children's Centres		

BUILDING BLOCKS GRANTS: MAKING THE INFRASTRUCTURE GRANT PROCESS FIT FOR PURPOSE

Building Blocks grants bring together new and existing grant streams into one integrated grants program, replacing the Children's Facilities Capital and Inclusive Kindergartens Facilities programs. This will mean the sector can more easily navigate the options available when seeking state co-investment in their facilities. This program strengthens our commitment to fund and support the provision of high-quality early years programs for Victorian children and their families.

Building Blocks offers grants to contribute to kindergarten infrastructure. It will support the roll-out of Three-Year-Old Kindergarten across the state throughout this decade and assist the sector to meet ongoing growth in demand for Four-Year-Old Kindergarten.

Building Blocks will feature significant increases to maximum state government grant contributions, on top of substantial increases already provided in 2019. For example, the maximum state contribution to a new two-room kindergarten facility has more than doubled from \$650,000 in 2018 to \$1.5 million in 2020.

The program consists of three grants streams:

- **capacity building**
- **improvement**
- **inclusion.**



DET will support sector partners, providing practical support, advice and resources at a local level, through specialist regional early childhood support staff and Early Years Learning Networks and Early Learning Leadership Forums.

CREATING INFRASTRUCTURE CAPACITY

Making the best use of existing facilities and resources can help many services to offer more places to local families. We also recognise that many areas require new or expanded early childhood infrastructure, especially in areas with large and growing populations.

The Victorian Government will partner with LGAs and providers to meet current and long-term infrastructure needs.

To support this, we have developed the Building Blocks program, which includes new approaches to partnerships, grants and capital investment. These approaches will provide **greater certainty, greater flexibility** and **greater investment**.

GREATER CERTAINTY

In addition to an increased focus on optimising existing resources and record-high co-investment levels from the Victorian Government, we are changing the way we work with our partners to make investment decisions.

Kindergarten Infrastructure and Services Plans

We want to co-invest in projects at the right time to make sure providers can meet demand for Three-Year-Old Kindergarten, and to provide clarity across the sector about which projects need to be prioritised. A key part of this will be sharing information with all our partners to provide a clear picture of infrastructure need state-wide.

To enable this, DET will invite all 79 LGAs to discuss and agree on a Kindergarten Infrastructure and Services Plan (KISP).

WHAT IS A KISP?

A KISP will allow DET and an LGA to share information and agree on:

- the current supply (or capacity) and demand for funded kindergarten in the LGA
- forecast demand for Three and Four-Year-Old Kindergarten
- expectations about how demand growth will be accommodated over the roll-out (for example, the use of existing capacity and building new or expanded capacity, and the role of different types of provision).

While a KISP is not a funding document and would not commit any party to funding specific projects, it is expected that future investment requests through Building Blocks and decisions about any LGA or not-for-profit projects would align with the relevant KISP. To ensure a transparent and collaborative approach across the market, key information from the KISPs will be publicly available.

DET will administer the overall program to agree KISPs with each LGA, prioritising based on anticipated level of need. This process will start from mid 2020.

While the KISP process will inform future investment decisions, we know some work to create new and expanded kindergarten infrastructure cannot wait. DET is already working with LGAs and other partners on infrastructure required for 2021 and 2022. To support this, the first round of Building Blocks grants is now open, with LGAs and not-for-profit providers invited to apply.

In consultation with the Municipal Association of Victoria, the Victorian Government is pleased to offer LGAs a one-off planning grant to support their co-operative work with DET on the KISP process, as part of a \$4.43 million package.

The KISPs will be the foundation for investment decisions, making sure that we are co-investing in projects to equitably and effectively address infrastructure needs across the state.

GREATER FLEXIBILITY

As well as greater certainty, greater flexibility will be a central pillar of our new approach.

Building Blocks Partnerships

The KISP planning processes will be underpinned by new **Building Blocks Partnerships**.

These are long term, in-principle agreements between DET and LGAs or not-for-profit providers for co-investment in multi-site 'project pipelines'. Partnerships will build capacity for both Three and Four-Year-Old Kindergarten, through multiple projects over a number of years under agreed funding parameters.

Building Blocks Partnerships will be a critical means of working with large partners, particularly LGAs, to build large numbers of facilities over time. The discussions to establish these partnerships will start from mid 2020.

Building Blocks grants

The new Building Blocks grants program will bring greater flexibility for the sector. The sector can now engage with the grants process at any time, with multiple assessment and announcement processes planned each year.

LGAs and service providers will now also be able to submit funding applications to DET for the capacity building stream at any point in their planning cycles. The capacity building stream will be assessed semi-annually. Urgent requests can be raised with DET at any time.

The grants program will also include new delivery options, such as access to modular buildings to potentially reduce costs, timelines and project management requirements for the roll-out of quality, purpose-built kindergarten infrastructure.



GREATER INVESTMENT

The Victorian Government will significantly increase its maximum grant co-contributions for projects that create new kindergarten places, where the data indicates they are needed to meet demand for kindergarten that cannot be satisfied by existing early childhood education infrastructure.

For projects that propose more than two 33-place kindergarten rooms, additional state funding may be available, subject to the existence of demand that would otherwise not be met.

As part of Three-Year-Old Kindergarten infrastructure investment, the Victorian Government will deliver new kindergartens on a number of existing school sites.

Through consultation and planning with LGAs, schools and existing early childhood providers, new facilities will be delivered in ways that best meet the needs of local communities.

This program will complement other infrastructure responses to the reform.

In addition, the government has committed to ensuring that there is a kindergarten onsite or next door to every new government primary school that opens from 2021. DET will continue to work with LGAs through existing processes to ensure this commitment is supported by effective planning.

Co-locating new kindergartens with primary schools helps reduce the burden on parents and carers, makes the transition to school smoother for children, and will also help meet future demand for kindergarten places.

Integrated Children's Centres:

Integrated Children's Centres are key hubs for the community, bringing together a range of professional services working together to deliver education, care, health and support services to children and their families.

New Early Learning Facility: New early learning facilities provide high-quality early learning programs, including a funded kindergarten program for three and four-year-old children. The location and design of new early learning facilities should respond to the needs of local families and support partnerships with other local services for children and families.

Expansion: Expansion grants increase the licenced places of existing facilities that are already approved to provide funded kindergarten programs for three and four-year-old children.

Modular kindergarten facilities:

Modular kindergarten facilities can be used to rapidly deliver high-quality and sustainable kindergarten infrastructure that can be flexibly deployed in partnership with LGAs or other providers. Modular kindergarten facilities, which can be produced in a factory in a matter of months, can reduce timeline, scope and cost risks associated with traditional design and construction processes.

Increases to state contributions under Building Blocks – Capacity building grants stream

Grant	2018 (CFCP)	2019 (CFCP)	2020 (Building Blocks)	Percentage increase 2018-2020
New Early Learning Facility	\$650,000	\$1,000,000	\$1,500,000^	130%
Expansion Grant*	\$350,000	\$500,000	\$600,000	71%
Modular Kindergarten Facility	N/A	N/A	\$1,500,000**	New category
Integrated Children's Centres	\$1,600,000	\$2,000,000	\$2,000,000**	25%

*Early Learning Facility Upgrade was the grant category available in 2018-19 and 2019-20. From 2020, this category is now Expansion Grant and focuses on increasing capacity.

**Based on a two-room (66-licenced place) kindergarten facility.

WHAT COMES NEXT?

ENGAGING WITH OUR PARTNERS

LGAs and not-for-profit providers across the state can now apply for a new Building Blocks grant, with a dedicated stream for projects that seek to increase the supply of kindergarten places in order to respond to current or future demand for two years of kindergarten.

Applications are welcome from all such partners. In advance of the development of the KISPs, DET will work particularly closely with LGAs and not-for-profit providers that are serving areas with likely demand pressures in 2021 and 2022.

DET will next be working with LGAs to develop and agree on their KISPs, and with large partner organisations to plan for Building Blocks Partnerships. This process will be informed and supported by DET continuing to share the insights it has collected throughout 2019 on kindergarten supply and demand for specific local areas.

DET will also continue targeted stakeholder engagement with other early childhood, community and educational organisations and workforces to build strong engagement with the reform.

SUPPORTING ENGAGEMENT WITH FAMILIES TO BUILD AWARENESS

DET will be assisting the sector with communicating to and engaging with families to maximise children's participation. These activities will seek to build an understanding of the benefits of the reform and also of different models of service delivery in a range of settings, including in sessional kindergartens and kindergarten programs in long day care centres.

In consultation with providers, LGAs, unions and peak bodies, DET will be looking at ways to deepen how we engage with communities and families about the reform ahead of the statewide 2022 roll-out.



