

# **Kindergarten Infrastructure and Services Plan**

Rural City of Horsham

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# 1. INTRODUCTION

## 1.1. REFORM CONTEXT

In an Australian first, the Victorian Government has committed to implement Three-Year-Old Kindergarten for all children over a 10-year roll-out with a total investment of almost \$5 billion, including \$1.68 billion to support the infrastructure expansion required for the reform. This reform will add another year of universal funded kindergarten so that, by 2029, all children in Victoria will have access to two years of play-based learning through a funded kindergarten program.

## 1.2. PURPOSE OF KISPS

Three-Year-Old Kindergarten will require a large expansion of kindergarten across the State. The Government has invited all 79 Victorian Local Governments to discuss and agree upon a Kindergarten Infrastructure and Services Plan (KISP) for their Local Government Area (LGA).

Each KISP has been jointly developed with Local Government and published to estimate the growth in demand for kindergarten within the LGA. The KISPs will help all kindergarten providers meet demand and provide a clear picture of infrastructure need across the State.

While a KISP is not a funding document and does not define required infrastructure projects or commit any party to funding specific projects, it is expected that future investment requests through Building Blocks and funding decisions about Local Government and not-for-profit projects would align with the relevant KISP.

## 1.3. HOW TO USE THE KISP

Each KISP contains estimates of future kindergarten supply of, and demand for, Three and Four-Year-Old Kindergarten places against existing enrolment capacity. Not-for-profit and for-profit providers can use these estimates to inform their plans to expand kindergarten programs, establish new services or invest in new or extended facilities.

For example, KISPs provide demand estimates in terms of where, when and how much demand for kindergarten places will grow in an LGA. KISPs also estimate where and how many kindergarten places providers can accommodate in existing facilities before an area needs new infrastructure to meet demand. The estimates can be used to inform decisions about where and when expansions of kindergarten program capacity and the construction of new or extended facilities are needed to meet demand growth.

Where there is an agreed KISP for the LGA, the Local Government and not-for-profit kindergarten providers seeking co-investments through the Building Blocks Capacity Building stream must refer to, and align their proposed project with, the infrastructure need identified in the KISP.

## 1.4. STRUCTURE OF THE KISP

Each KISP consists of the following sections:

- **Section 1:** A short introduction to the Three-Year-Old Kindergarten reform and the KISP.

- **Section 2:** A map of existing and planned Early Childhood Education and Care service locations.
- **Section 3:** Local knowledge and context relevant to the expansion of kindergarten services.
- **Section 4:** Funded kindergarten demand estimates.

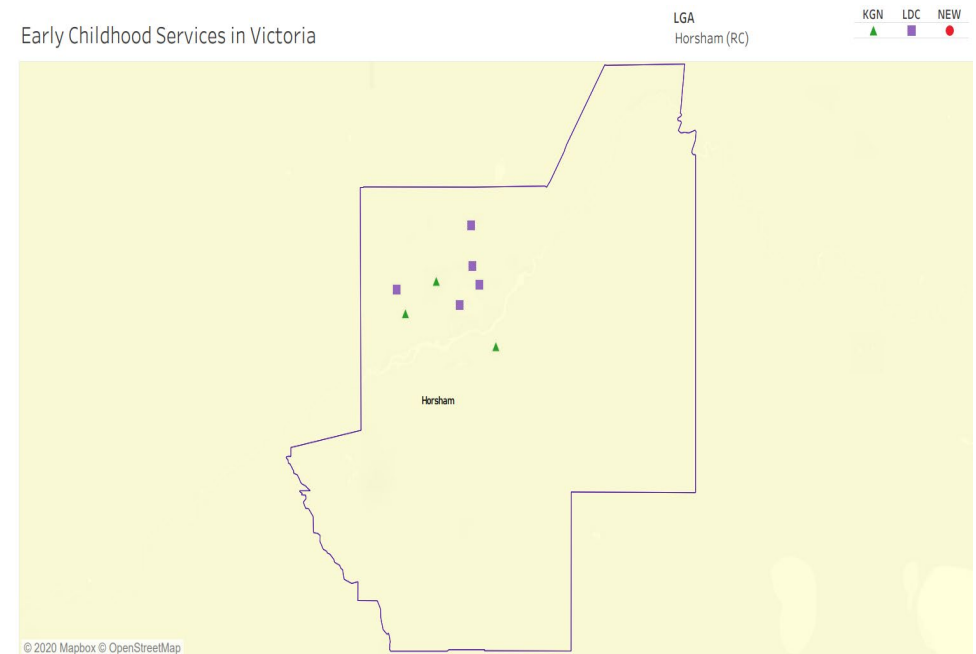
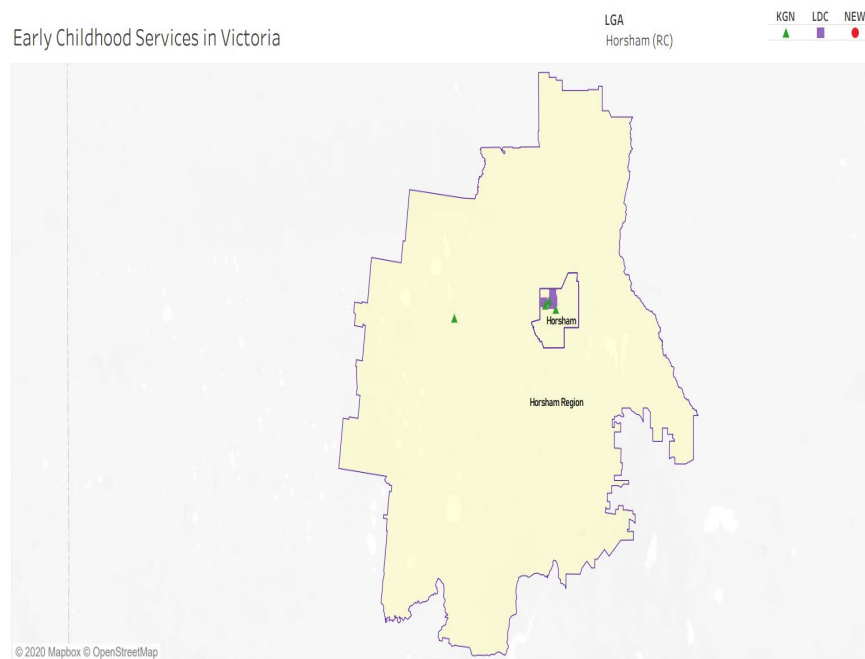
## 1.5. DISCLAIMER

All data presented in this document are estimates only and are based on the best information available to the Department and Local Government at the time. They are published on an as-is basis and are for informational purposes only. They are subject to adjustment in response to market forces and as new data and other relevant information becomes available. The data may under- or over-estimate both total demand in a given location or year and the capacity for new demand to be met by providers. As a result, operational and business decisions should not be made solely based on this document. Any use of this data is solely at the risk of the user. The Department and Local Government accept no responsibility for any loss or damage, either direct or incidental, that may result from the use of the data.

## 2. MAP OF EARLY CHILDHOOD EDUCATION SERVICES IN THE RURAL CITY OF HORSHAM

The map below shows the distribution of currently operating and new services that are planned to open in the future in the LGA and across its communities.

This map has been prepared using Departmental data, from both the National Quality Agenda IT System (NQAITS) and the Victorian School Building Authority (VSBA). Where applicable, this map has been refined by the Horsham Rural City Council and the Department to capture other services that are planned to open in the future.



## 3. LOCAL CONTEXT

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### 3.1 PURPOSE

Local, place-based knowledge and context play an important role in supporting the implementation of Three-Year-Old Kindergarten across Victoria. This section of the KISP documents this knowledge and context and has informed the funded kindergarten enrolment estimates in Section 4.

### 3.2 KEY CONSIDERATIONS

#### **Key demographic trends that influence demand for kindergarten**

Horsham is a service centre for the surrounding agricultural region and is the centre for grains research within the state, which has seen continued growth in agriculture research and development investment in the municipality.

There are indications that the population may grow more quickly than currently projected. Recently it has been suggested that COVID-19 has seen residential housing taken up by people looking to move out of metropolitan Melbourne and work remotely, but this is difficult to confirm. There are also significant emerging opportunities with mining that may also lead to growth in population. The Estimated Resident Population (ERP) data for Horsham Rural City Council was updated in June 2019. The base year for the projections is 30 June 2018, however the results model estimates of population from the year 2016. The new figure for Horsham's ERP for 2021 is 19,993 which is a net increase of 109 people since June 2016 or an increase of 0.5 per cent per annum for the five year period. In the next five years (to 2026), Horsham is predicted to increase in population by a further 222 residents or 0.22 per cent per annum. A further 10 years from there to 2036, this is set to increase by 384 to 20,599 which is a 0.19 per cent increase per annum. In all, there is a predicted population change for Horsham Rural City of 715 residents over the 20 year period of 2016-2036 or an average annual of 0.18 per cent per annum. Previous estimates of Horsham's ERP had population rates increasing by 0.60% per annum which is roughly three times that of the latest projections. It is not known when new estimates will be released but it is expected that COVID-19 and Mining could have a significant impact on the future rate of growth for Horsham.

The average birth rate for the municipality over the past five years, 2016-2021 is 234 (range 212-243). Even with the consistency of these numbers, current long day care options have failed to meet demand. In 2021, all long day care providers have reported waiting lists with waiting periods varying but all quoted as longer than nine months. The reasons for the increase in uptake for long day care has not been investigated. It is important to note that waiting lists also apply in all of the long day care facilities kindergarten programs.

#### **Projects or trends that may influence supply of early childhood education and care**

Historically, Horsham has had a long tradition of choosing kinder by educator and parents have been known to alter kinder choice for consecutive children to follow a particular teacher. Recent surveying of parents found that many parents hold the perception of higher quality programming in standalone kinders and regard these as 'better' choices. This trend has waned slightly in recent years, and anecdotally this seems related to working parents needing to access kindergarten in long day care settings. Further to this, shorter length sessions offered in standalone kindergartens seem to disadvantage working parents who cannot collect children inside working hours. The current lack of

before or after kinder care or casual childcare placements has also driven a move away from sessional kindergarten even where they are not the parents' first preference for cost and availability.

The Kalkee Road Children's and Community Hub was initially designed and built to house a long day care program including two kindergarten rooms. However, at the time of completion (late 2018) two new long day care providers (190 long day care places) had commenced operating in Horsham and at that time supply outweighed demand and another long day care provider could not be attracted. Hence the Kalkee Road Hub pivoted to become the home of two of the standalone kindergarten programs.

### Real Estate Demand

Vacant land sales in Horsham continue to be made as quickly as land is released to the market and building company's order books go out beyond a 12-month period. This signals that the strong construction growth will likely continue for the duration of the 2021-22 year at least. In 2021 existing homes are being sold prior to listing. The rental market is also exceedingly tight. The possible/likely development of mining and more wind and solar farms also signals a strong economic outlook for Horsham in the medium term and together with the impact of COVID-19 and the shift from city to rural living, these factors are driving housing sales. The farm sector had one of its most productive years on record during the 2020 season and this was on the back of a strong year in 2019.

There are currently a number of mines proposed in the municipality that would potentially bring new families to Horsham increasing the demand on early year's services. In 2021 these proposals are still about two years away. Further wind and solar farms are also in the planning stages.

### **Key local geographic considerations or information relevant to Three-Year-Old Kindergarten**

Parents who travel into Horsham for work tend to choose long day care settings for early childhood care and education. This includes families who live outside the Rural City boundaries but who work in Horsham and access early childhood services here. While places may be available at Laharum (not currently operating) and Natimuk, families from Horsham do not tend to travel out to access these.

There is growing community of Karen families in the municipality. Many work and live in the Laharum area and this may drive demand for kinder to be offered in this area in the future. In 2021 we are running a Supported Playgroup at Laharum.

Location can be an influence for those without transport or means, the closest kinder is often the choice for convenience if places are available.

Demand for early years services are high with very limited daycare currently available. In mid-April 2021 parents and providers are reporting there are currently no available kinder places in the Municipality.

## 4.1 PURPOSE

As Three-Year-Old Kindergarten is rolled-out and Victoria's population grows, demand for both Three and Four-Year-Old Kindergarten places will increase significantly. While additional capacity will be needed to meet this demand, this will vary across the State and over time, due to differences in the capacity of existing services, growth trends and sector composition.

To identify where, when and how many additional kindergarten places are expected over the roll-out in the Rural City of Horsham, Horsham Rural City Council and the Department have developed:

1. A summary of the current provision of kindergarten within the LGA (**Section 4.3**).
2. An approach to optimising the utilisation of existing services and infrastructure through 'change management' strategies that Horsham Rural City Council and the Department will support to help meet additional demand in the LGA (**Section 4.4**).
3. An estimate of the Three and Four-Year-Old kindergarten places that cannot be met through existing services for the 2021-29 period, taking into account the additional demand that can be accommodated by optimising utilisation of existing services and infrastructure through point 2, above (**Section 4.5**).

Local Government and providers can use these published estimates to inform reform implementation activities such as service planning, kindergarten program expansion, infrastructure investments and Building Blocks funding applications in alignment with future demand over the 10-year roll-out.

## 4.2 METHODOLOGY

The estimated Three and Four-Year-Old Kindergarten places used in the following sections have been agreed between Horsham Rural City Council and the Department, and were informed by:

- Estimates developed by the Department which draw on a range of inputs, including population forecasts, current enrolments and results from the Kindergarten Capacity Assessment Program (KCAP), conducted in 2019.
- The estimated capacity of new services that are planned to open in the LGA (Section 2)
- Local knowledge and context provided by the Local Government (Section 3) that explains particular issues and trends in their area.
- The approach to optimising utilisation of existing services in the LGA (Section 4.4), and
- Other sources, such as modelling undertaken by Local Governments and local data.

The KISP measures a service's capacity to deliver funded kindergarten in terms of the number of children it could enrol in Three and Four-Year-Old Kindergarten. The number of funded kindergarten places is different from a service's licensed or approved places, which count the number of children permitted to attend the service at any one time under the license. Many services can enrol more children in their funded kindergarten program(s) than they have licensed places for because they



can run more than one kindergarten program per week. Kindergarten places are therefore a more accurate measure of service kindergarten capacity than licensed places.

Three-Year-Old Kindergarten places have been presented as 15-hour places so they can be easily compared to Four-Year-Old Kindergarten places. Moreover, when Three-Year-Old Kindergarten is fully rolled-out in 2029, every three-year-old child will have access to 15-hours of kindergarten.

From 2023 all providers will have flexibility to determine how many hours of funded Three-Year-Old Kindergarten they deliver per week, with a minimum of five hours and a maximum of 15-hours funded pro-rata. It is expected that hours offered will vary. Given this variation, **it is important to be aware that during the transition to all three-year-old children receiving 15-hours of funded kindergarten per week in 2029, the 15-hour places presented in this report may represent multiple three-year-old places that individually receive less than 15-hours of kindergarten per week.**

These estimates have been developed at an LGA and community level to show the overall forecast and variation within an area. The KISP defines community at the Statistical Area Level 2, which is medium-sized areas which represent a community that interacts socially and economically, with a population range of 3,000 to 25,000 people, and an average population of about 10,000 people.

### 4.3 SUMMARY OF CURRENT KINDERGARTEN PROVISION

The figures below provide a summary of current kindergarten provision within the LGA and provide relevant context for the estimates of demand for funded kindergarten places included in Section 4.5. The data included in this section are largely drawn from:

- The Kindergarten Capacity Assessment Program (KCAP), collected between June and October 2019.
- The Department's Kindergarten Information Management System (KIMS), as at 2019.
- The Department's Quality and Regulatory Division (QARD) monitoring data, as at 2019.
- The National Quality Agenda IT System (NQAITS), as at April 2020.
- The Victorian Child and Adolescent Monitoring System (VCAMS), as at 2018.

Please note that, because these sources were collected at different points, this may result in slightly different totals appearing in the below data.

Number of services by service type (NQAITS, 2020)	
Stand-alone kindergartens	4
Long day care centres	5

Percentage of services by management type, LGA level (NQAITs, 2020)	
Type	Percentage
Local Government	0%
Private not for profit	78%
Private for profit	22%
Other	0%

Current kindergarten offering	
Four-Year-Old Kindergarten participation rate (VCAMS, 2018):	95%
Number of services that offer a funded kindergarten program (DET, 2019):	8
Number of services that offer an unfunded Three-Year-Old Kindergarten program (DET, 2019):	2



## 4.4 APPROACH TO OPTIMISING THE USE OF EXISTING SERVICES AND INFRASTRUCTURE

### Change management strategies to optimise existing services and infrastructure

Children can often be accommodated through existing spare places and by services ‘unlocking’ unused capacity. As the experience of providers in the 2020 Three-Year-Old Kindergarten roll-out LGAs shows, while the optimisation of existing services can be challenging, it is highly time- and cost-effective compared to building new capacity through infrastructure projects. It also helps target infrastructure investment to the places that need it most and avoids over-supplying the local market.

Horsham Rural City Council and the Department will support providers and services to maximise their kindergarten places through the following change management activities and practices:

- Increasing the capacity of any Local Government operated services by:
  - Running additional programs.



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- Using different timetables, including running 7.5-hour days.
- Changing the delivery model, such as introducing rotational models or mixed-age groups.
- Having degree-qualified kindergarten teachers leading integrated kindergarten programs in long day care settings.
- Encouraging and supporting other providers and services in the LGA to undertake change management.

Horsham Rural City Council and the Department have estimated how many Three and Four-Year-Old Kindergarten places can be accommodated through existing services in the LGA (**Table 1**). Both parties are committed to helping providers and services offer these kindergarten places before progressing to funded infrastructure solutions to meet demand. This commitment is reflected in the LGA and community level estimates below (**Table 2** onwards), which assume that demand will be met first through existing services and second through additional infrastructure. Note that in some cases the number of kindergarten places that can be offered through existing services may exceed demand for kindergarten places.

**Table 1: Total estimated funded kindergarten places that can be offered by optimising existing services and infrastructure across the LGA, between 2021-29 (presented in 15-hour equivalent places)**

	2021	2022	2023	2024	2025	2026	2027	2028	2029
Estimated existing supply of kindergarten places*	456	456	456	456	456	456	456	456	456

\*This may be higher than current three and four-year-old enrolments as it includes any spare places that are currently available or could be generated by making some minor adjustments to programming approaches.

## 4.5 AGREED ESTIMATES OF DEMAND FOR FUNDED KINDERGARTEN PLACES THAT CANNOT BE MET THROUGH EXISTING SERVICES AND INFRASTRUCTURE

The below estimates (**Table 2** onwards) have been developed by Horsham Rural City Council and the Department to illustrate the estimated:

1. Total number of Three and Four-Year-Old Kindergarten places expected over the roll-out period.
2. Three and Four-Year-Old Kindergarten places that cannot be accommodated by optimising existing services and infrastructure over the roll-out period.

These estimates have been developed to reflect that the increase in demand for Three-Year-Old Kindergarten places will be gradual.

In estimating how many Three and Four-Year-Old Kindergarten places cannot be accommodated by existing services and infrastructure, Horsham Rural City Council and the Department have taken into account any new places that will be made available through planned expansions of existing services or new services, into estimates of existing supply, where this information is available. This

may include Local Government owned services being developed and planned Kindergartens on School Sites.

These estimates do not, however, estimate how and when the broader sector will expand to meet the additional demand for kindergarten places that are estimated over the roll-out period.

Infrastructure need in the LGA and its local communities is indicated by the bottom rows of the tables in this section (**Table 2** onwards): 'Total kindergarten places that cannot be accommodated by existing services'. For example, if the number of kindergarten places for the LGA or a community is above zero in this row, it means that the area is estimated to need additional infrastructure (noting that further optimisation which avoids the need for additional infrastructure may be possible). Any type of provider – Local Government, not-for-profit or for-profit – can build this additional infrastructure. If this row shows all zeros, it means that there is no estimated need for additional infrastructure in the area.

Local Government and not-for-profit kindergarten providers must refer to the estimates in this section when applying through the Building Blocks Capacity Building Grants stream for Government funding. Under this stream, projects must be in a community where there is infrastructure need as shown in the community's table of estimated demand for kindergarten places (i.e. there are numbers in the bottom row above zero). Projects in LGAs or communities where demand can be met through existing services (i.e. the bottom row shows all zeros) are not eligible for funding under this stream.

### LGA estimates

**Table 2: Total estimated three and four-year-old kindergarten places between 2021-29 (presented in 15-hour equivalent places)**

<b>LGA level estimates</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Total estimated demand for kindergarten places (three and four-year-old children)	265	338	362	389	410	448	467	487	514
Total kindergarten places that cannot be accommodated by existing services	0	0	0	0	0	6	24	42	67

### Community estimates

**Table 3-4: Total estimated three and four-year-old kindergarten places between 2021-29 (presented in 15-hour equivalent places)**

<b>Horsham estimates</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Total estimated demand for kindergarten places (three and four-year-old children)	256	323	345	370	389	423	441	459	484
Total kindergarten places that cannot be accommodated by existing services	0	0	0	0	0	6	24	42	67
<b>Horsham Region estimates</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>

Total estimated demand for kindergarten places (three and four-year-old children)	9	15	17	19	21	24	26	28	30
Total kindergarten places that cannot be accommodated by existing services	0	0	0	0	0	0	0	0	0

## 4. AUTHORISATION

The Area Executive Director (Wimmera South West) of the Department of Education and Training and the Chief Executive of Horsham Rural City Council endorse this Kindergarten Services and Infrastructure Plan (KISP) for the Rural City of Horsham by signing on ..... / ..... / .....

This KISP is not intended to create legal relations or constitute a legally binding contractual agreement between the parties. The parties may review this KISP in 2024 to publish a new version that will replace the previous version.

An out-of-cycle review may be triggered if both parties agree that there has been a change in relevant data, information or the local early childhood sector that significantly affects the reliability of a KISP's estimates for planning purposes.

**Signed for and on behalf and with the authority of Horsham Rural City Council**



Signature



Witness Signature

Name: Sunil Bhalla

Title: Chief Executive Officer

Address: 18 Roberts Avenue, Horsham, VIC 3400

**Signed by Area Executive Director (Wimmera South West) Department of Education and Training**



Signature

31/8/2021

Name: Suzanne Camm

Title: Area Executive Director (Wimmera South West)

Address: 99 Fairy Street, Warrnambool, VIC 3280



Witness Signature