

DEPARTMENT OF EDUCATION AND TRAINING



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Note: Due to rounding, individual values throughout this document may not add to 100 per cent. This report reflects the 2016 calendar year. Source data is collected by the Quality Assessment and Regulation Division within the Department of Education and Training.

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Introduction

I am delighted to present the 2016 annual report for the Quality Assessment and Regulation Division (QARD) in the Department of Education and Training (the Department). QARD's role is to regulate providers of early childhood services operating under the National Quality Framework (NQF) and the *Children's Services Act 1996* (CS Act) to ensure the safety, health and wellbeing of children. These regulatory functions are primarily funded by the Victorian State Government with a contribution from the Commonwealth Government under the National Partnership for the National Quality Agenda for Early Childhood Education and Care.

2016 has been an exciting and productive time for all at QARD. Here are some highlights:

- ◆ From 1 January 2016, all government-funded or regulated early childhood services were required to implement the Child Safe Standards. In April and May 2016, QARD facilitated over 40 information forums to assist early childhood services to understand these requirements and their application across different service settings.
- ◆ QARD has also been busy assisting early childhood services to implement the new Victorian No Jab, No Play legislation. It requires all children enrolling in early childhood services to be up-to-date with their vaccinations or have an approved exemption. Over this time QARD also provided direct support to early childhood services to assist them to incorporate these requirements into their policies and procedures.
- ◆ In June 2016, QARD partnered with the Australian Children's Education and Care Quality Authority (ACECQA) to deliver interactive Agency of the Child workshops, with sessions fully booked.
- ◆ QARD continued its important work with other government departments to investigate poor quality and fraud by approved providers of family day care (FDC).
- ◆ By 31 December 2016, QARD had assessed and rated 92 per cent of services, with 82 per cent either meeting or exceeding the National Quality Standard (NQS).

- ◆ QARD collaborated with Nutrition Australia and the Department of Health and Human Services to develop a nutrition guide to assist services in providing good nutrition to children, and promoting healthy eating to families. The guide is available on the Department's website.

As this list shows we had a very busy year and I look forward to reporting on further achievements in our next annual report. I would like to extend a big thank you to Victoria's dedicated educators and service providers for their effort and ongoing commitment to the NQF and promoting quality in the learning and development of the many children in their care.

Madeleine Smith
Executive Director
Quality Assessment and Regulation Division



About us



OUR ROLE

- ◆ Under delegation from the Secretary of the Department of Education and Training, QARD regulates more than 4000 Victorian education and care services that operate under the NQF, including FDC, kindergarten, long day care (LDC) and outside school hours care (OSHC) services.
 - ◆ QARD also has responsibility for regulating over 400 services operating under the CS Act. These services include occasional care, early childhood intervention and limited hours services.
 - ◆ Our primary function as the regulator of these services is to ensure services protect children's safety, health and wellbeing and deliver quality education and care to support children's health, learning and development.
- We achieve this by:
- assessing an applicant's suitability to operate an early childhood service
 - educating providers and staff within services, including the broader early childhood sector, on regulatory obligations
 - monitoring compliance with meeting requirements of the NQF and CS Act and taking enforcement action when required
 - assessing services program and practice under the assessment and rating process
 - receiving and investigating notifications of incidents and complaints
 - collaborating with ACECQA and other government agencies to promote compliance with legislative requirements, including continuous quality improvement in services.

OUR PEOPLE

QARD, through delegation from the Secretary of the Department, has responsibility for ensuring providers and services meet their regulatory and reporting obligations, and improve their quality. QARD has three branches, nine area-based teams and is governed by an executive team comprising:

- ◆ Executive Director QARD
- ◆ Director, Operations Branch
- ◆ Manager, Operations Branch
- ◆ Manager, Service Quality and Legislation Branch
- ◆ Manager, Systems Administration and Performance Branch.

Operations Branch

The Operations Branch comprises both central office and regional staff. The branch is responsible for the management and support of QARD's area-based teams of authorised officers, who assess and rate NQF services, and undertake compliance visits. They ensure that targets and timelines are met, as well as ensuring that our authorised officers have consistent practices.

Service Quality and Legislation Branch

The Service Quality and Legislation Branch (SQLB) comprises the Monitoring and Compliance Unit, the Consistent Practice and Support Unit, and the Victorian Lead Assessor for the assessment and rating process.

The branch is responsible for developing guidelines, frameworks, policies and procedures to ensure that assessment and rating, compliance monitoring, investigations and sanctions are effective, targeted according to risk, and contribute to ensuring the safety, health and wellbeing, and quality of early childhood services.

The branch is also responsible for developing and delivering technical training on assessment and rating, compliance and investigations.

Systems Administration and Performance Branch

The Systems Administration and Performance Branch comprises the Business Systems and Review Unit and the Service Administration and Support Unit (SASU).

The branch plays an important role as the first point of contact for new and existing providers of education and care services. It manages the assessment and analysis of applications, notifications of change of circumstances, and undertakes the assessment of an applicant's fitness and propriety. Information is provided through a dedicated telephone and email inquiry line, and through conducting information and assessment sessions.

The branch also manages financial management and data analysis, reporting on the status of early childhood services and identifying trends across the early childhood sector.



Key legislative changes

Here's an overview of the key legislative changes for early childhood services in 2016, and how QARD supported the sector to meet the new legislative requirements.

CHILD SAFE STANDARDS

The new Child Safe Standards (the standards) for all early childhood services applied from 1 January 2016. They were developed in response to the recommendations of the *Inquiry into the Handling of Child Abuse by Religious and Other Organisations*, which found more must be done to prevent and respond to child abuse.

The standards aim to raise awareness about child abuse — embedding the protection of children from abuse into the everyday thinking and practice of early childhood leaders, staff and volunteers — and to help create and maintain child-safe environments. The NQF already requires early childhood services to meet many aspects of the standards.

The focus for 2016 has been on raising awareness of the standards, and providing

education and training to help the early childhood sector to create and maintain child-safe environments.

Our close work with early childhood services has encouraged them to:

- ◆ **self-assess** their practices, policies and procedures against the standards and identify what's still to be done in their quality improvement plan
- ◆ **include a commitment** to the aims of the standards in their child-safe environment and staffing policy and procedures
- ◆ **ensure their code of conduct** has clear expectations for interactions with children
- ◆ **address the standards in staff recruitment**, induction and performance-management processes
- ◆ **ensure processes for responding** to and reporting suspected abuse, and strategies to reduce or remove risks are in place
- ◆ **effectively address concerns** of children and families regarding abuse allegations and include these strategies in the service's complaints policy
- ◆ **further promote participation** and empowerment of children.

QARD authorised officers have been using their regular visit schedule to raise awareness of the standards and provide an opportunity for services to ask questions and seek further guidance.

The Department also launched the PROTECT Child Safe Standards website to support staff and volunteers within early childhood services to take action if they suspect, or are witness to, any form of child abuse. In particular, resources published on this site provide specific advice for staff within early childhood services on:

- ◆ understanding their obligations to protect children
- ◆ identifying signs of child abuse
- ◆ responding to incidents, disclosures and suspicions of child abuse
- ◆ responding to concerns about the wellbeing of a child.



Information sessions

The Centre for Excellence in Child and Family Welfare delivered a number of public information sessions covering the standards, one specifically for early childhood services.

QARD also delivered over 40 sessions with strong representation from across the early childhood sector. The focus of these sessions was on raising awareness of child abuse and responsibilities of early childhood services, including information about key legislative changes that apply to them.

In June 2016, we delivered 10 workshops focused on Standard 7 of the NQS, which covered strategies to promote children's participation and empowerment. These were developed in partnership with ACECQA, the Victorian Curriculum and Assessment Authority and Gowrie Victoria.

Training and professional development

The Department also funded a train-the-trainer package for staff to over 400 early childhood services facilitated by the Australian Childhood Foundation. This training program aimed to build a service's capacity to prevent and respond to child abuse by enabling trained staff to pass on this valuable information across their service settings.

The Department's online child protection training program, Protecting Children – Mandatory Reporting and Other Obligations for the Early Childhood Sector eLearning Module, was reviewed and updated in 2016, and has been regularly accessed by staff in early childhood services as they prepared to meet the Child Safe Standards.



NO JAB, NO PLAY

To improve Victoria's childhood immunisation rate, all Victorian children under school age enrolled in an education and care service after 1 January 2016 must meet the new No Jab, No Play laws to attend the following services:

- ◆ long day care
- ◆ three and four year old kindergarten programs
- ◆ some occasional care¹
- ◆ family day care.

No Jab, No Play is designed to raise the childhood vaccination rate and reach the 95 per cent 'herd immunity' required to halt the spread of dangerous and virulent diseases such as measles. Before enrolment, the parent or carer must provide an immunisation status certificate showing that their child:

- ◆ is up-to-date with vaccinations, or
- ◆ is on a vaccine catch-up schedule, or
- ◆ has a medical condition preventing them from being fully vaccinated, or
- ◆ is attending the service under a grace period that allows eligible children to enrol and commence at a service.

QARD also provided direct support to early childhood services to assist them with incorporating these requirements into their service policies and procedures.

1:11 RATIO COMES INTO EFFECT

Victoria's new educator-to-child ratio of one educator to 11 children, for children 36 months to preschool age, began on 1 January 2016.

This ratio will better meet individual children's needs by strengthening interactions with educators, while bringing Victoria into line with most other states and territories. QARD supported services through this transition by:

- ◆ holding regional education forums
- ◆ direct support through our 1300 number and via email
- ◆ downloadable factsheets and articles for sector-wide publications

- ◆ guidance through regular service site visits
- ◆ information on our website.

Further to this, other areas of the Department provided additional support to the early childhood sector through a suite of resources focused on building relationships with children and families, reflecting on current practices and working collaboratively. Financial and budgeting advice was also provided to community-based kindergarten services to successfully implement the improved educator-to-child ratio while supporting their ongoing viability.

QARD also assisted a small number of services unable to meet the new staffing requirements by granting service waivers. This approach allowed services to comply with the regulatory requirements while identifying strategies to meet staffing arrangements within the agreed timeframe.

EMERGENCY MANAGEMENT

All Victorian early childhood services must have a regularly reviewed and updated emergency management plan (EMP) covering threats like bushfires.

Early childhood services operating in high-risk, bushfire-prone areas must also be listed on the Department's Bushfire At-Risk Register (BARR). In the 2015–16 bushfire season there were 418 BARR-listed services. We're delighted to report that all services placed on the BARR submitted their annual EMPs. These have been uploaded to the National IT system and made available to relevant emergency services authorities.

One of the service approval and licence conditions imposed on early childhood services on the BARR is that they must not operate on Code Red Fire Danger Rating days. Early in 2016 we sent a survey to all services on the BARR, seeking information about their bushfire preparedness and whether policies were in place for managing high-risk bushfire days. Pleasingly we had a 95 per cent response rate to the survey, and found that 50 per cent of services did consider responding to other high-risk bushfire days in their policies and procedures.

1. NJNP applies to the following services under the CS Act: Standard services, occasional care services with limited hours type 2 licence, and short-term type 1 services.



A follow-up survey was distributed to all BARR services in late 2016 to encourage a larger proportion of services to update their policies and procedures to consider high-risk bushfire days other than Code Red. Results confirmed that services understood the threat of high-risk days. The results of this survey showed 74 per cent now incorporate approaches to managing days other than Code Red in their policies and procedures.

This feedback will be included in the Department's broader emergency management strategy, and to help tailor support and information to services preparing for bushfires.

We continue to provide information and resources to early childhood services via the QARD newsletter, and the Emergency Management Requirements web page on the Department's website.

NQA REVIEW

During 2016, work continued in the national arena under the auspices of the Council of Australian Governments (COAG) to review the National Partnership for the National Quality Agenda for Early Childhood Education and Care.

Victoria played a lead role in this review as host of the National Law under the NQF.

The review outcomes were published on 13 February 2017 on the Education Council's

website. While this occurred after the period to which the report relates, it is an important development that will impact on services and families as the changes are implemented from October 2017.

The review found that the NQF is a significant achievement and that, since its implementation, considerable progress has been made in what are ambitious and groundbreaking reforms.

The review made recommendations that will contribute to improved educational and developmental outcomes for our children, and reduce red tape for services.

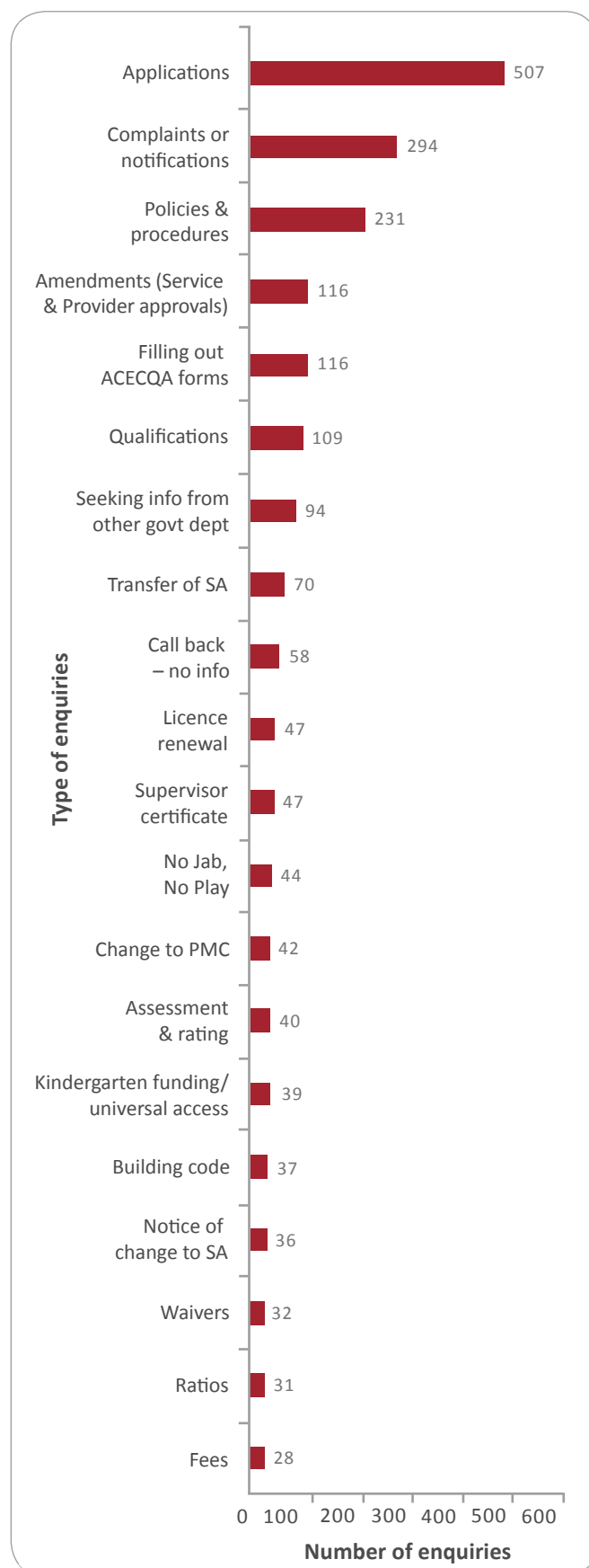
STAR

In 2016 QARD introduced a service tracking and recording tool (STAR) for recording queries or requests received through the QARD's 1300 number and email service. The introduction of STAR is aimed at providing regular data and insights into the types of issues and enquiries raised by the early childhood sector, including the Victorian community, and to inform the continuous improvement of QARD's service delivery.

QARD started using STAR in the second half of 2016 recording queries received by service providers, early childhood educators, parents, the general public and government agencies. Although STAR was only implemented in September, the 1300 enquiries line still received over 2500 enquiries (figure 1).



Figure 1: Top 20 reasons for enquiries



Services we regulate

As at 31 December 2016 there were 241,748 approved early childhood places provided in centre-based services operating under the NQF or CS Act in Victoria (figures 2 and 3). Additionally, there were 371 approved FDC services in Victoria.

SERVICE SUMMARIES

Services under the CS Act

406 CS Act licensed services

25 new services in 2016

Services under the NQF

4108 NQF services

3737 centre-based and 371 FDC

234 new services in 2016

Figure 2: Services regulated under the CS Act by licence type

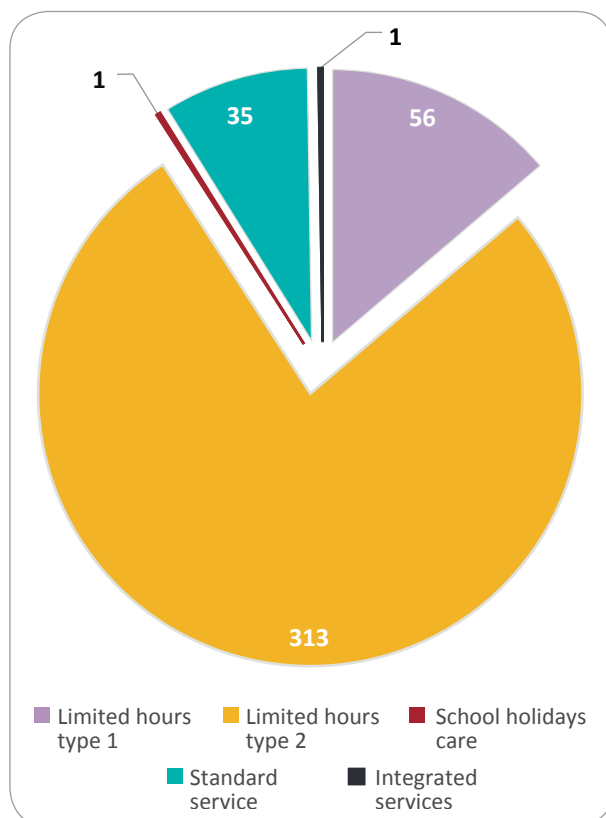


Figure 3: Services regulated under the NQF by care type

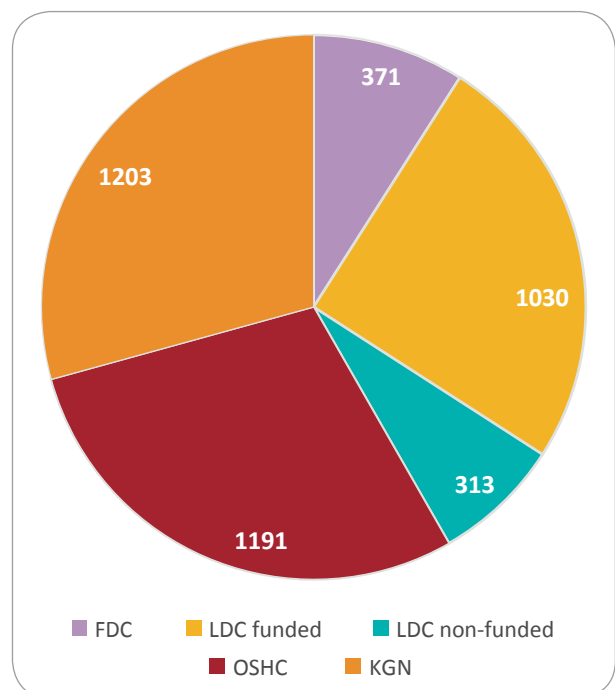


Table 1: Number of NQF services by management type

MANAGEMENT TYPE	NUMBER OF SERVICES
Government school council managed	293
Local government managed	416
Private not-for-profit other organisations	322
Private not-for-profit community managed	1090
Private for-profit	1823
Independent schools	125
Catholic schools	39
TOTAL	4108

WAIVERS

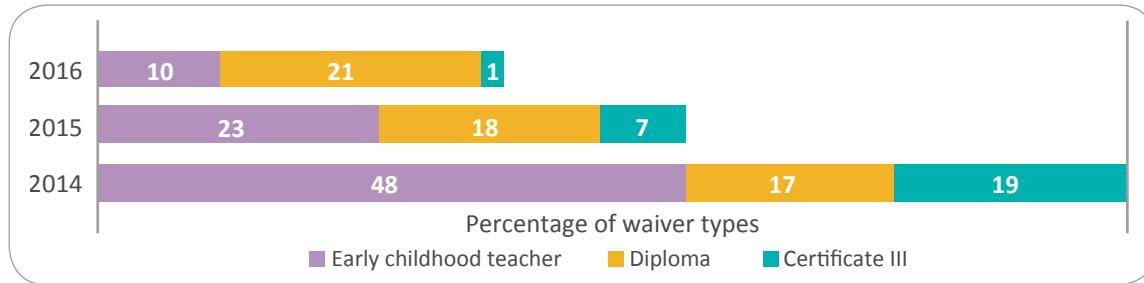
Approved providers may apply to QARD for waivers from elements of the NQS and the National Regulations relating to certain aspects of their physical environment and staffing arrangements. In 2016, QARD granted 184 waivers with almost half of these related to physical environment such as for the purposes of renovating outdoor spaces.

As at 31 December 2016, 2.6 per cent of Victorian services operating under the NQF had a waiver in place. This low percentage of services with a waiver demonstrates a strong commitment by services to meet minimum requirements of the National Law. Nationally, 6 per cent of services had a waiver in place for the same time period.

QARD continued to support the small number of services experiencing difficulty in complying with the new educator-to-child ratio for children 36 months and older, by granting a service waiver to allow them time to comply with the new requirements. A small proportion of waivers were also granted to meet the new qualification requirements. The small number of qualification waivers reflects services' commitment to meet the requirements (figure 4), and evidence that educators working in early childhood services are more highly trained than ever before.



Figure 4: 2016 qualification waivers

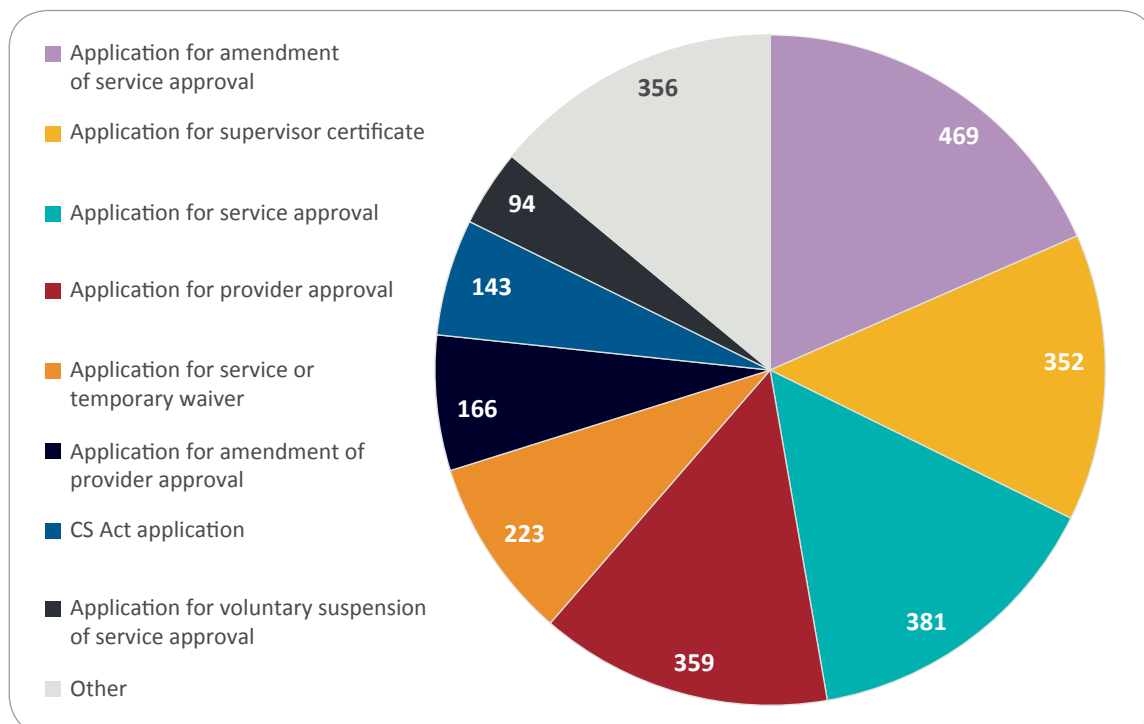


APPROVALS, LICENSING AND NOTIFICATIONS

QARD is responsible for processing applications, notifications of change of circumstances, and assessing an applicant's fitness and propriety.

The Service Administration and Support Unit processed 2543 applications in 2016 (figure 5), up 11 per cent on the same time last year. Applications for provider and service approvals remained strong, accounting for 29 per cent of the total applications received.

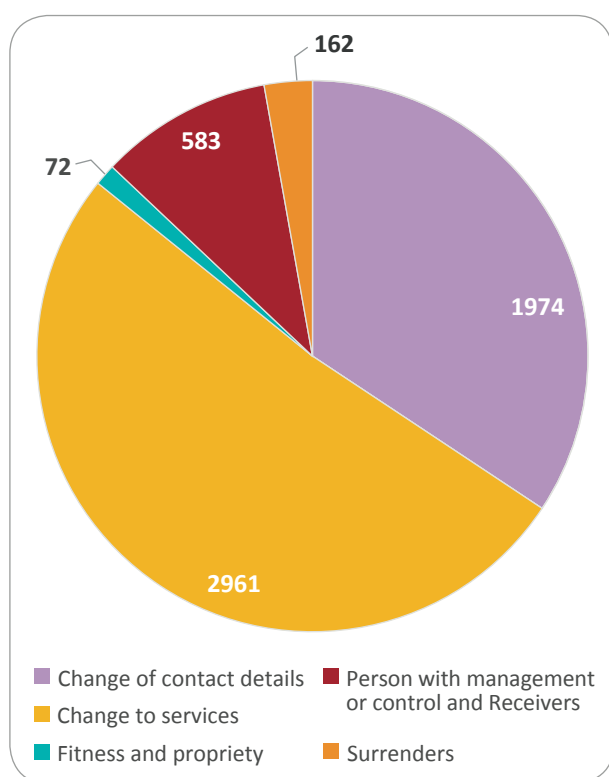
Figure 5: Submitted applications by application type



Notifications of change of circumstances

QARD also receives notifications of certain circumstances and information, which includes change in the management or control of an approved provider or responsible persons at the service, surrenders, and change of information about an early childhood service (figure 6).

Figure 6: Notifications by type



Notifications of complaints and incidents

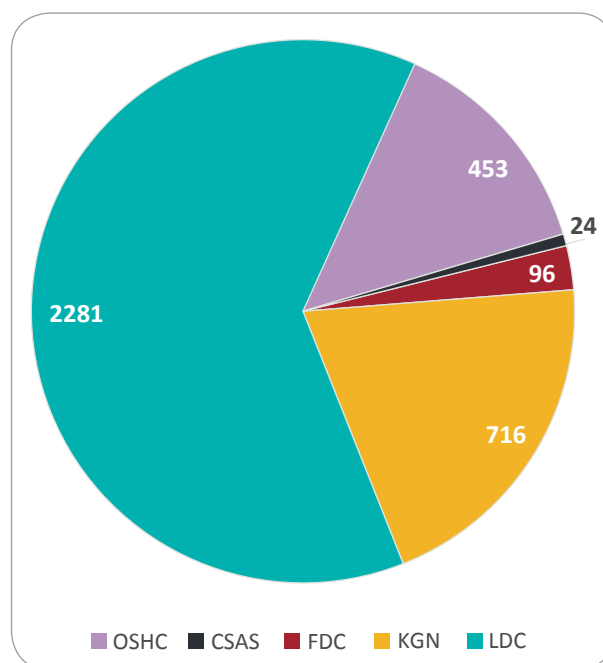
The National Law and CS Act set out circumstances where services must notify QARD of a complaint or an incident including:

- ◆ the death of a child
- ◆ any incident involving serious injury or trauma to, or illness of, a child
- ◆ any incident where the attendance of emergency services was required
- ◆ any circumstance where a child being educated and cared for by an early childhood education and care service appears to be missing or cannot be accounted for.

In addition, QARD is required to be notified of incidents affecting the hours and days of operation of a service, any circumstance that poses a risk to a child and matters related to FDC venues.

In 2016 QARD received 3570 notifications of serious incidents from early childhood services (figure 7).

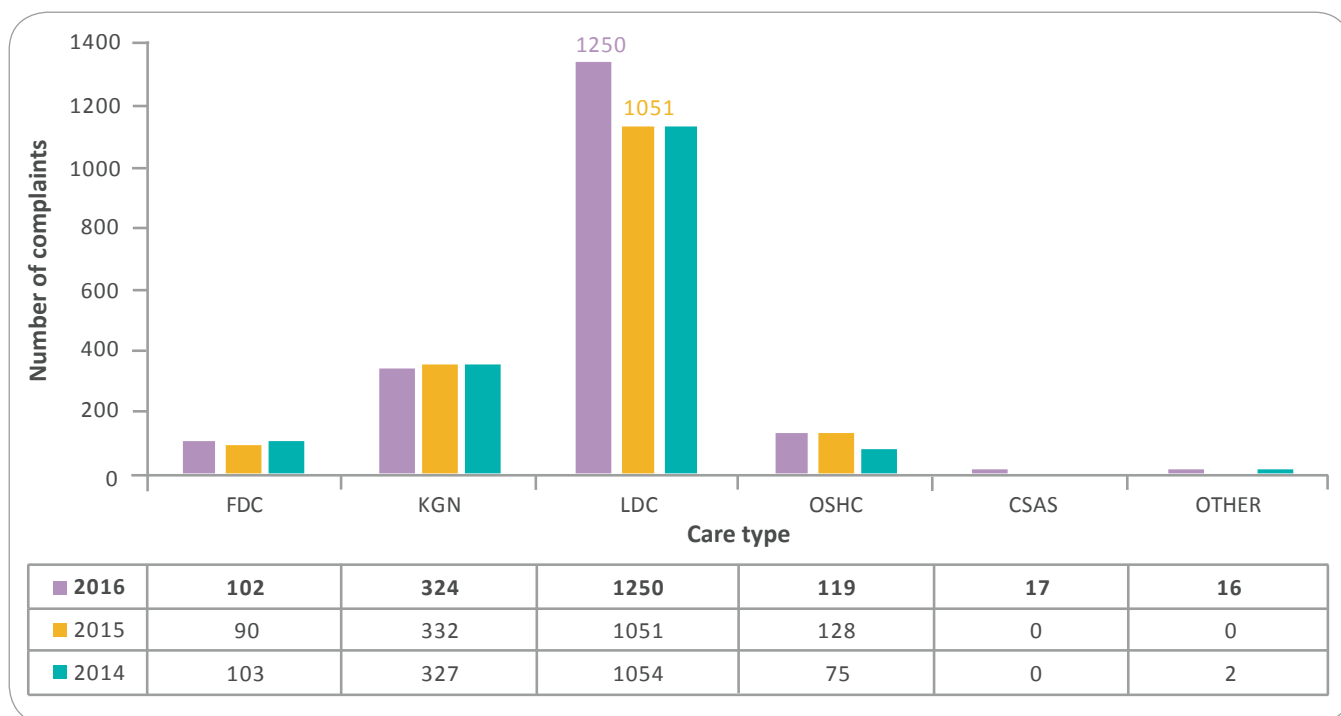
Figure 7: 2016 notifications of serious incidents by care type



Complaints

In 2016 QARD received 1811 complaints about services operating under the NQF, and 17 about services operating under the CS Act (figure 8).

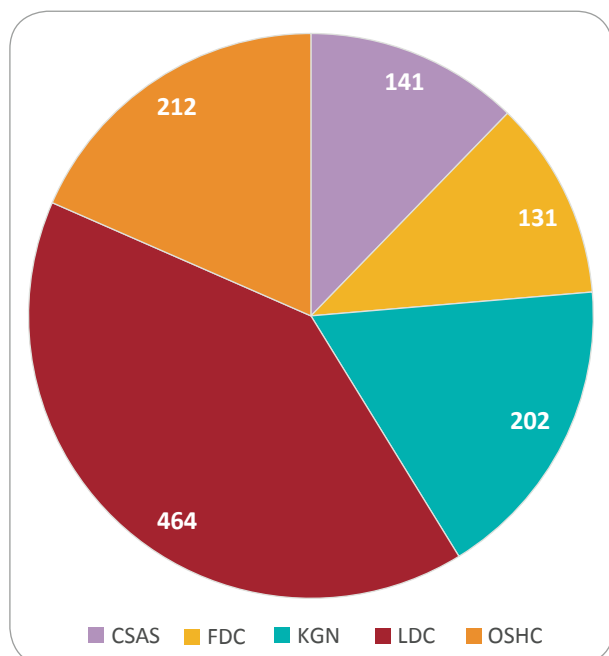
Figure 8: Complaint trends 2014–2016



Monitoring and compliance

In 2016, authorised officers completed 1009 compliance visits to services operating under the NQF and 141 compliance visits to services operating under the CS Act (figure 9).

Figure 9: 2016 compliance visits by care type



Enforcement actions

Where there is evidence that a service or an approved provider is operating in serious or persistent non-compliance with the National Law, QARD may take enforcement action to ensure the safety, health and wellbeing of children. Enforcement action taken by QARD includes administrative and statutory actions.

During 2016, QARD used a wide range of regulatory tools to ensure compliance with the National Law and National Regulations including enforcement action on 48 occasions. These actions included prosecution, the cancellation of service or provider approval, and the amendment of provider or service approval.

Information was published on the Department website about 24 of these enforcement actions, including details about the approved provider or service, the issues that were identified and the response taken by QARD. The National Law limits publication about enforcement action to particular compliance activities. Details are available online at: www.education.vic.gov.au/childhood/providers/regulation/Pages/enforcement.aspx

The enforcement action taken by QARD in 2016 represents a significant increase from the 26 actions taken in 2015. This confirms the commitment to take strong and proportionate action when it is clear that education and care services are not acting in the best interests of children, and reinforces QARD's zero-tolerance approach to circumstances where children's health, safety or wellbeing is compromised.

FDC compliance

While there is great work being done by many FDC services, there are high levels of concern about funding fraud, inadequate quality and poor compliance by many services in the sector. In 2016, over 80 per cent of enforcement action related to FDC despite this service type making up only 9 per cent of approved services under the NQF. This included successful prosecutions initiated by the Department for breaches of the National Law, and prohibition notices issued against 15 FDC educators.

QARD continues to collaborate with relevant government departments to address identified compliance issues, in particular the Commonwealth Department of Education and Training, which is responsible for investigating

alleged childcare fraud. There are rigorous processes for approval and entry into the market, and increased monitoring and enforcement activity.

There are broader quality issues with FDC services. As at 31 December 2016, 60 per cent of rated FDC services did not meet the NQS while only 15 per cent of rated centre-based services did not meet the NQS. Similarly, 100 per cent of services currently rated as significant improvement required are FDC services.



ASSESSMENT AND RATING

As at end of 2016, QARD had rated 92 per cent of approved services in Victoria, compared to the national average of 86 per cent. Services are eligible for assessment and rating after 12 months of operation. Of these eligible services, QARD rated 97 per cent by 31 December 2016.

Each service is rated against the seven quality areas, and given an overall rating, before

publishing the results on the national register (figures 10 and 11). Kindergartens continue to be the strongest performers, with 93 per cent meeting or exceeding the NQS, compared to 82 per cent for all service types. Of all service types, FDC has the largest percentage of services rated as working towards NQS.

Assessment and rating summary – NQF

3737 (92 per cent) services with a quality rating (compared to 86 per cent nationally)

844 services were assessed and rated between 1 January and 31 December 2016

Figure 10: Final rating by care type

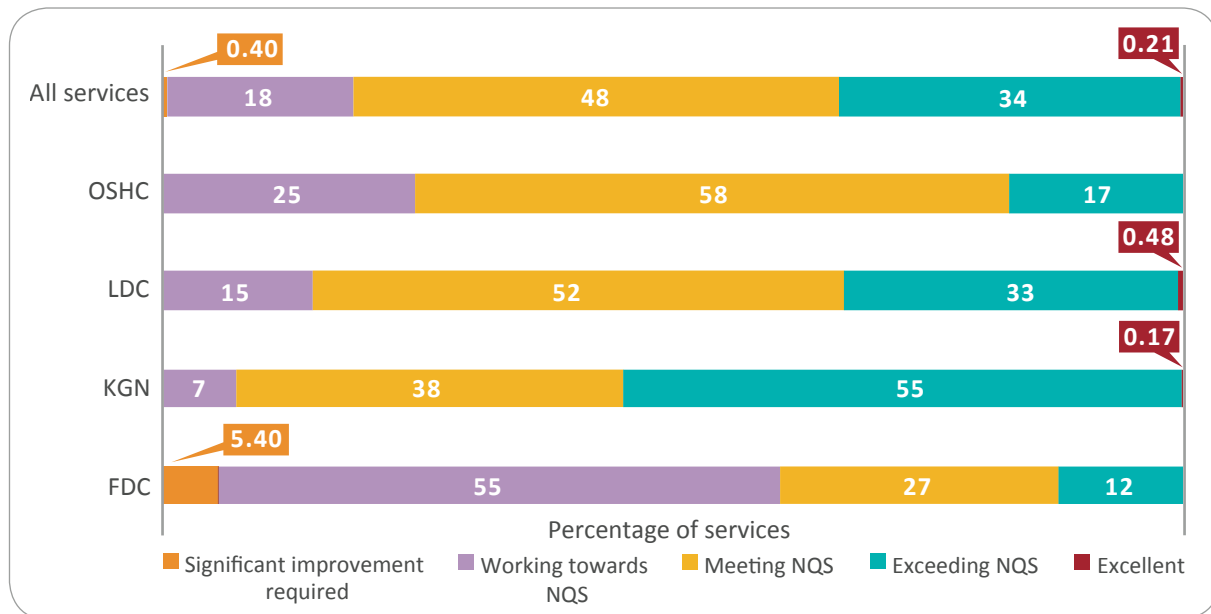
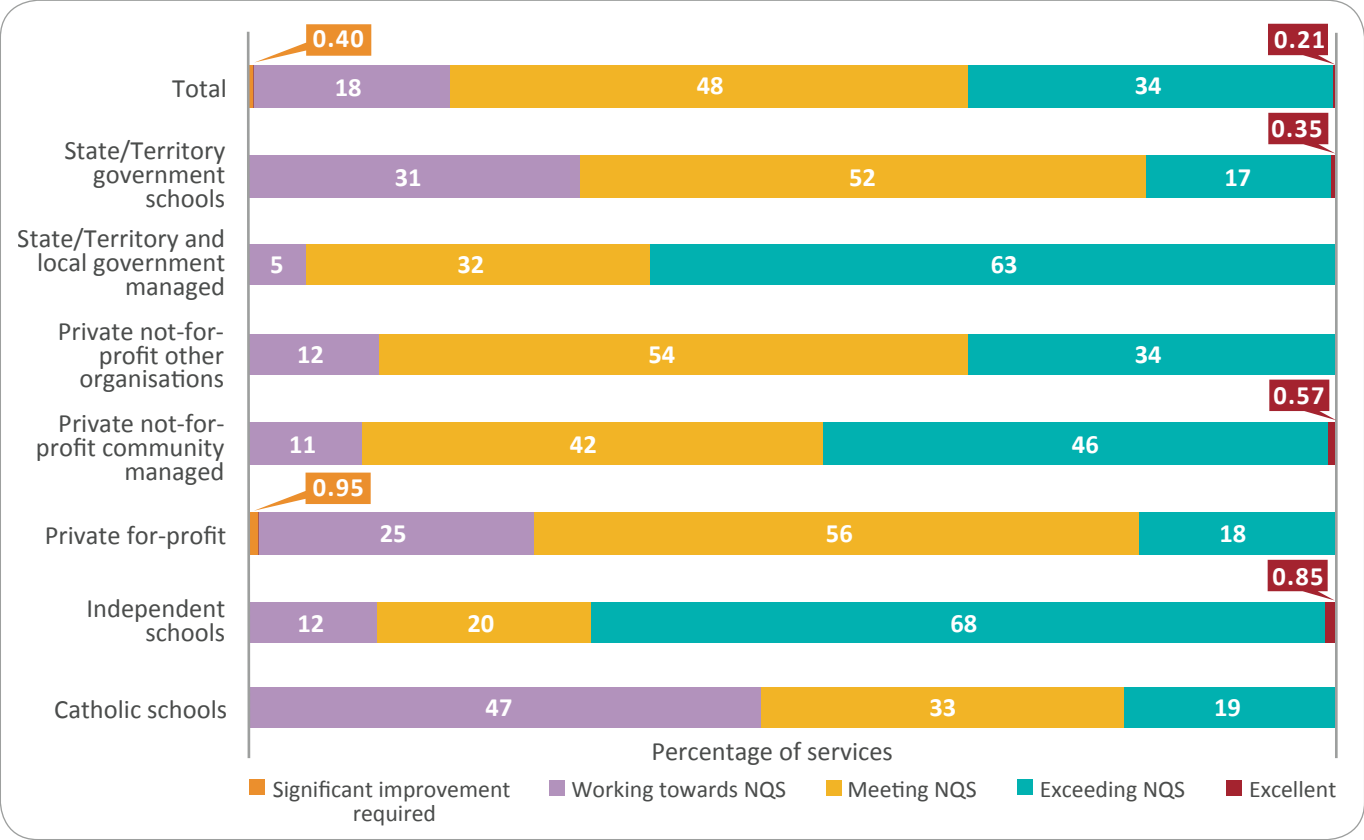


Figure 11: Final rating by management type



Note Table 1 – Number of NQF services by management type (page 11).

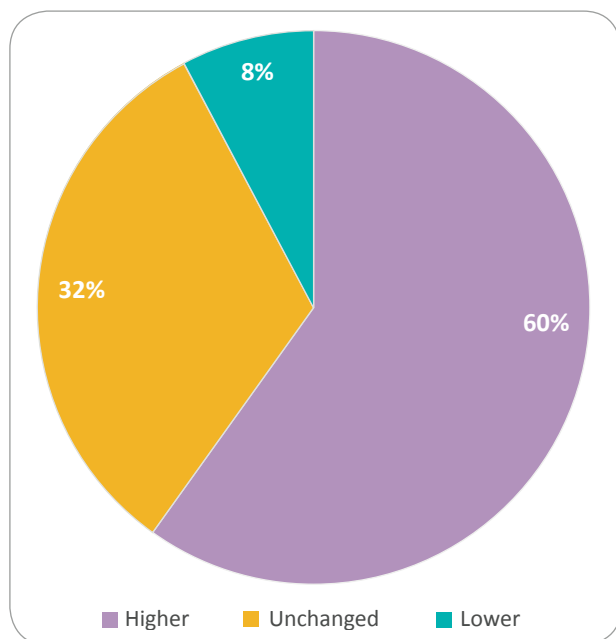


Next assessment and rating

QARD has commenced undertaking next assessment and rating visits. These visits represent a second or third assessment and rating of the service and reveal whether quality issues have been addressed.

By the end of 2016, QARD had conducted 566 next assessments, with 60 per cent of services achieving a higher rating. Although 40 per cent of services did not improve their overall rating, almost two thirds of these had improved their performance against elements of the NQS from their first rating (figure 12).

Figure 12: Overall directions in service quality



Significant improvement required

During this reporting period, we have seen 15 FDC services rated as significant improvement required. This increase reflects the proactive approach to assessing and rating recently approved, eligible family day care services.

QARD directs services with this rating to address identified issues promptly or face enforcement action.



Case study

... the key to service improvement is taking a step back to reflect on whatever assessment results you get ...

ONGOING QUALITY IMPROVEMENTS

Yallourn North is a small rural town located in the Latrobe Valley, with a population of 1500. We first assessed the OSHC program located at the primary school in 2014. The result was not great. A rating of working towards NQS was given to five of seven quality areas. Principal Kieran Kenneth was ready to act.

Using materials and resources from ACECQA, the school's small leadership team developed an OSHC curriculum. At the start of 2016, new teacher, Robyn was hired. Her goal was to run an innovative service, giving each child a genuine sense of belonging and identity.

Each evening overhead lighting was replaced with lamps and soft, classical music played to foster a homely, relaxing environment. A mock café at afternoon tea time allowed children to practise respect, patience and social etiquette. Some would act as chefs and wait staff, displaying fresh produce on platters

and taking their peers' drinks orders. Robyn's work getting to know each child's needs paid off. At QARD's second assessment in June 2016, significant improvements were in place with four of seven quality areas now rated as exceeding NQS!

Principal Kieran Kenneth says the key to service improvement is, "taking a step back to reflect on whatever assessment results you get. View this information as productive, celebrate your achievements and set goals to guide future practice."



Glossary

ACECQA	Australian Children's Education and Care Quality Authority
BARR	Bushfire At-Risk Register
CS Act	<i>Children's Services Act 1996 (Vic)</i>
CSAS	Children's Services Act Services
CS Regulations	Children's Services Regulations 2009
the Department	Department of Education and Training (Vic)
Early childhood services	Refers to services approved under the National Quality Framework and those licensed under the <i>Children's Services Act 1996 (Vic)</i>
EMP	Emergency management plan
FDC	Family day care
KGN	Kindergarten
LDC	Long day care
National Law	<i>Education and Care Services National Law Act 2010</i>
National Regulations	Education and Care Services National Regulations 2011
NQA Review	Review of the National Partnership Agreement on the National Quality Agenda for Early Childhood Education and Care
NQF	National Quality Framework
NQS	National Quality Standard
QARD	Quality Assessment and Regulation Division (Vic)
OSHC	Outside school hours care
SASU	Service Assessment and Support Unit
SQLB	Service Quality and Legislation Branch
the standards	Child Safe Standards

