



Education
and Training

Kindergarten Infrastructure and Services Plan

Surf Coast Shire

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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.

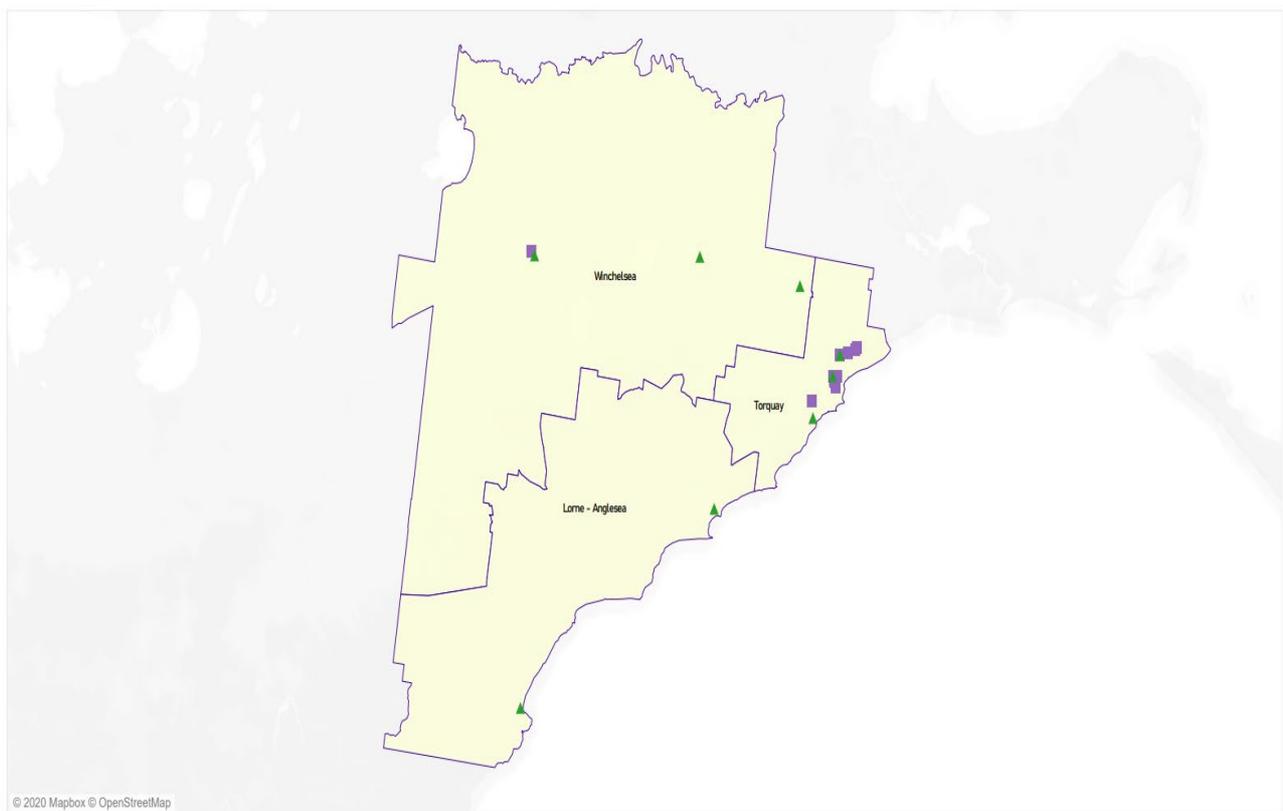
2. MAP OF EARLY CHILDHOOD EDUCATION SERVICES IN SURF COAST SHIRE

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 Surf Coast Shire Council and the Department to capture other services that are planned to open in the future.

Early Childhood Services in Victoria

LGA Surf Coast (S) Care Type Multiple values KGN LDC NEW



© 2020 Mapbox © OpenStreetMap

3. LOCAL CONTEXT

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

Demographic trends

The following context is sourced from the Surf Coast Shire Council Plan:

- the socioeconomic landscape has changed considerably over the years and the influx of higher socio-economic 'sea-changers' migrating from Melbourne has led to rising house prices and (along with the growth of the short stay accommodation market) decreases in affordable rentals
- the age distribution in the Shire is unusual for a regional municipality with strong family growth, yet almost 30% of the population aged over 60 within the next twenty years, and
- smaller coastal towns are ageing more rapidly than the rest of the Shire and attracting fewer families

Forecasting models predict the strongest early years population growth in the Torquay statistical area, followed by Winchelsea, and then relatively static growth elsewhere.

Note that Council is currently increasing its Maternal and Child Health Nurse presence in Moriac (in the Winchelsea statistical area) due to an increase in births and families requiring face to face support.

Family preferences

Enrolments and feedback from families indicate that:

- many families believe sessional kindergartens provide a better educational outcome than kindergarten in a Long Day Care setting, and favour them for that reason
- sessional kindergartens are very popular in Torquay and Jan Juc - many already offer two long days of kindergarten (2 x 7.5 hours), to meet working parent's needs, and
- families in other coastal towns would also like longer sessions (currently being investigated by Council for Lorne).

Council operates a Family Day Care scheme and has observed some parents choose the scheme because the Educator can transport their child to and from Kindergarten.

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

Residential development

The State Government Distinctive Areas and Landscapes project (DAL) will determine future urban growth in Torquay/Jan Juc, including its location and density. It will also determine whether the Spring Creek Growth Area (zoned Urban Growth Zone) will be diminished or deleted. The Spring Creek Growth Area has an adopted precinct structure plan which will deliver approximately 2,000 lots and an additional population of 4 to 5,000 people, depending on the density approved by the Minister for Planning. The DAL project is due to be finalised by September 2021.

The demand figures estimated in this document assume that the DAL project will not restrict the growth of Torquay/Jan Juc, and/or delete or diminish the Spring Creek Urban Growth Area, but if it does the actual demand figures for the Torquay statistical area will be less than forecast (further reducing the possibility of unmet demand).

Winchelsea attracts young families due to its lower cost of housing. There may be unmet demand in the Winchelsea statistical area if the growth assumed for the Spring Creek Urban Growth Area, occurred in Winchelsea instead.

It's acknowledged that the possibility of unmet demand would be further reduced if additional kindergarten capacity was introduced during the forecast period. Council is aware of at least one development plan in Torquay which proposes the construction of a new private long day care centre.

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

As mentioned in the earlier 'key demographic trends' consideration, forecasting models predict the strongest early years population growth in the Torquay statistical area, followed by the Winchelsea area, and then relatively static growth elsewhere.

Winchelsea Statistical Area (SA2)

Council has designated Winchelsea as an area for growth - it's attractive to young families due to its lower-cost housing and rural lifestyle. However, many residents work in nearby Torquay, Waurn Ponds, Geelong and Colac - and some prefer to enrol their children in kindergartens nearer to their workplace (and to schools).

This phenomenon may suppress the demand for kindergarten services in Winchelsea (despite population growth).

Furthermore, the State Government approved CORA (Cape Otway Road Australia) development in Modewarre proposes to include a childcare facility for public use – it's noted that the possibility of unmet demand will be reduced if additional kindergarten programs are licensed.

Torquay Statistical Area (SA2)

The phenomenon of Winchelsea and hinterland families enrolling their children for kindergarten in Torquay (mentioned above), may elevate the demand for services in Torquay beyond current modelling.

Lorne – Anglesea SA2

It's reasonable to have confidence in the demand figures predicted for Lorne, for the following reasons:

- a relatively static early years population, despite a significant proportion of the population being transient (the ebb and flow seems to have limited effect on actual numbers), and
- Lorne's geographic isolation limits daily commuting and therefore, somewhat ring-fences kindergarten demand.

Other information about the expansion of early childhood services

Data qualification

It must be noted that the supply and demand data identified in this document (the KISP), and in the source document (the KCAP), is estimated only and is conservative in comparison to other forecasting models used by Council. It's acknowledged however, that there appears to be no unmet demand until very late in the forecasting period – unmet demand emerges from 2029 with 7 places each in Torquay and Winchelsea (estimated unmet demand in the municipality of 14 kindergarten places).

Also note that there are many variables currently in play (as discussed in this 'local context' section), all of which have the potential to significantly affect both supply and demand estimates during the forecasting period.

COVID-19 impact

The impacts of COVID-19 have not been factored into the modelling. However, it's possible that the professional population (including families with young children) may grow as people factor in lifestyle and decide to work remotely from their former holiday homes and/or move to the region due to more flexible working conditions. Currently increasing enrolments in Lorne and Anglesea kindergartens are in part due to this occurrence.

Absentee property ownership on the Surf Coast is about 40%, providing ample potential for this outcome notwithstanding the rising costs of housing.

However, Forecast.ID predicts that the size and distribution of future population growth will be affected by the pandemic - and in contrast to the above, forecasts that the birth rate may decline in the short-term (generalising that peri-urban areas with high levels of fertility and forecast births will be more impacted than other areas).

Workforce resourcing

Recruiting a suitable workforce is likely to be a greater challenge in the short-term than infrastructure capacity. The Surf Coast Shire Council Plan finds that:

- the socioeconomic landscape has changed considerably over the years and the influx of higher socio-economic 'sea-changers' migrating from Melbourne has led to rising house prices and decreases in affordable rentals
- the age distribution in the Shire is unusual for a regional municipality with strong family growth, yet almost 30% of the population aged over 60 within the next twenty years, and
- smaller coastal towns are ageing more rapidly than the rest of the Shire and attracting fewer families.

The rapid rise of the short-stay accommodation market (e.g. Airbnb) has also seen a reduction in the availability and affordability of permanent rental accommodation.

These changes limit the opportunity for young families to move to or live in the Shire and this is particularly evident in Lorne and Anglesea. An effect of this is a reduction in the available workforce and a shortage of suitable applicants for vacant positions.

Exacerbating this problem, the Educational Services (Teachers) Award entitles kindergarten employees to a 30-minute meal break after 5 hours of work. Programming in an additional 15 hours of kindergarten per week will require additional staff to cover breaks.

It's anticipated that recruiting sufficient staff to provide additional kindergarten hours will be problematic.

Existing infrastructure

Several kindergartens in the municipality are restricted in their ability to offer a 15 hour per week, three-year-old kindergarten program due to limitations associated with their ageing facilities, including:

- stand-alone service
- poor design, including inflexible configurations, and
- land size limitations.

Case study: A preschool in the hinterland is very concerned about their ability to participate in the roll out of a 15 hour per week, 3 year old kindergarten program - when they have limited flexibility with only one room that is already at capacity with the 4 year old program.

Facility improvements may lessen/remedy these restrictions.

Occasional Child Care

It's anticipated that the introduction of funded three-year-old kindergarten will reduce the demand for childcare services and 'free up' those spaces for kindergarten in sessional centres.

Strategic reference documents

It's noted that the KISP estimates appear to be consistent with the findings of the Residential Land Supply and Demand Assessment, and the Community Infrastructure Needs Assessment:

- the 2018 Residential Land Supply and Demand Assessment projects that the Surf Coast Shire will experience significant socio-demographic changes. Specifically, that the majority of household growth will be for households with no children, sourced by changing household structures and migration into the municipality, and
- the Surf Coast Shire Community Infrastructure Needs Assessment, conducted in association with the 2015 Spring Creek Precinct Structure Plan (although this assessment preceded the introduction of funded three-year-old kindergarten), concludes (amongst other things) that:
- the existing and planned early years facilities in Torquay/Jan Juc will have more than sufficient capacity to cater for the kindergarten, maternal and child health and long day childcare needs of Torquay/Jan Juc, (including Spring Creek) at full development
 - from a demand perspective, new early years facilities are not needed in Spring Creek, and
 - they are also not required from an access perspective as the existing facilities in Torquay/Jan Juc, and the new Kurrambee Myaring early years centre in Torquay North (KMCC), will be reasonably close to Spring Creek.

Council's strategic documents provide further confidence that existing kindergarten infrastructure may be sufficient for the duration of the roll-out period.

4. FUNDED KINDERGARTEN ENROLMENT ESTIMATES BETWEEN 2021-29 FOR SURF COAST SHIRE

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 Surf Coast Shire, Surf Coast Shire 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 Surf Coast Shire 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 Surf Coast Shire 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:

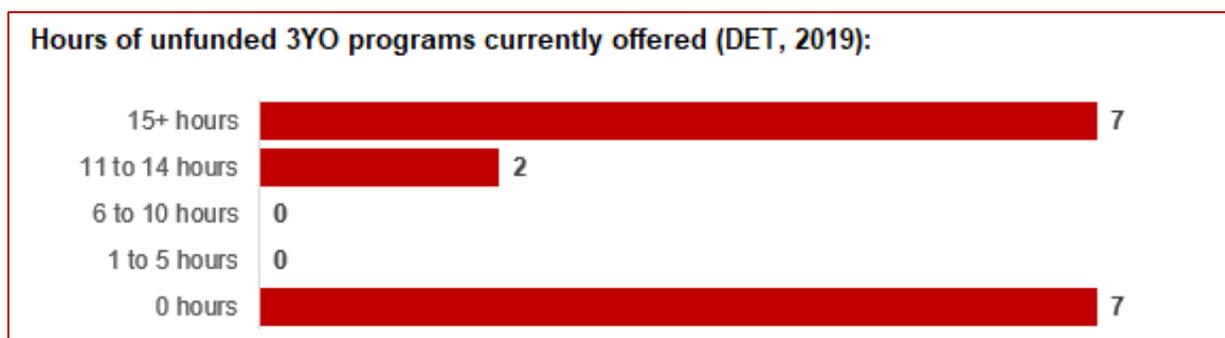
- The Kindergarten Capacity Assessment Program (KCAP), collected between June and October 2019.
- The Department’s Kindergarten Information Management System (KIMS), as at 2019.
- The Department’s Quality and Regulatory Division (QARD) monitoring data, as at 2019.
- The National Quality Agenda IT System (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	8
Long day care centres	11

Percentage of services by management type, LGA level (NQAITs, 2020)	
Type	Percentage
Local Government	32%
Private not for profit	26%
Private for profit	42%
Other	0%

Current kindergarten offering	
Four-Year-Old Kindergarten participation rate (VCAMS, 2018):	104%
Number of services that offer a funded kindergarten program (DET, 2020):	17
Number of services that offer an unfunded Three-Year-Old Kindergarten program (DET, 2019):	9



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.

Surf Coast Shire 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.
 - 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.

Surf Coast Shire 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*	1,074	1,074	1,074	1,074	1,074	1,074	1,074	1,074	1,074

*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 Surf Coast Shire 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, Surf Coast Shire 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)

LGA level estimates	2021	2022	2023	2024	2025	2026	2027	2028	2029
Total estimated demand for kindergarten places (three and four-year-old children)	504	622	705	756	814	900	951	1009	1085
Total kindergarten places that cannot be accommodated by existing services	0	0	0	0	0	0	0	0	14

Community estimates

Table 3-5: Total estimated three and four-year-old kindergarten places between 2021-29 (presented in 15-hour equivalent places)

Lorne – Anglesea estimates	2021	2022	2023	2024	2025	2026	2027	2028	2029
Total estimated demand for kindergarten places (three and four-year-old children)	51	64	73	79	85	93	98	102	109
Total kindergarten places that cannot be accommodated by existing services	0	0	0	0	0	0	0	0	0

Torquay estimates	2021	2022	2023	2024	2025	2026	2027	2028	2029
Total estimated demand for kindergarten places (three and four-year-old children)	380	465	528	565	609	673	713	757	814
Total kindergarten places that cannot be accommodated by existing services	0	0	0	0	0	0	0	0	7

Winchelsea estimates	2021	2022	2023	2024	2025	2026	2027	2028	2029
Total estimated demand for kindergarten places (three and four-year-old children)	73	92	105	113	121	133	141	150	162
Total kindergarten places that cannot be accommodated by existing services	0	0	0	0	0	0	0	0	7

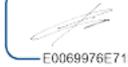
5. AUTHORISATION

The Area Executive Director (Barwon) of the Department of Education and Training and the General Manager, Culture and Community of Surf Coast Shire Council endorse this Kindergarten Services and Infrastructure Plan (KISP) for Surf Coast Shire by signing on 13/1/2021.

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 2023 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 Surf Coast Shire Council

DocuSigned by:

E0068976E71B4CA
Signature

DocuSigned by:

D35881DAE1C7487
Witness Signature

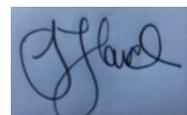
Name: Chris Pike

Title: General Manager, Culture and Community

Address: 1 Merrijig Drive, Torquay, Victoria, 3228

Signed by Area Executive Director (Barwon), Department of Education and Training


Signature


Witness Signature

Name: Catriona Salt

Title: Area Executive Director (Barwon), Department of Education and Training

Address: 75 High St, Belmont, Victoria 3216