

Victoria: Implementation Plan and Performance Report (Plan) - 2022

PRESCHOOL REFORM AGREEMENT - 2022 TO 2025

PART 1: PRELIMINARIES

1. This Plan is a schedule to the Preschool Reform Agreement 2022 – 2025 (the Agreement) and should be read in conjunction with the Agreement. It covers the period from 1 January 2022 to 31 December 2022.
2. The Agreement reaffirms a national commitment to provide universal access to, and improved participation by, children in quality preschool programs in the year before full-time school (YBFS), with a focus on Aboriginal and Torres Strait Islander and disadvantaged children. These programs should be delivered in a manner that meets the needs of children, parents and communities at a cost which does not present a barrier to participation.
3. The objective of the Agreement is to facilitate children’s early learning and development and transition to school by maintaining universal access to quality preschool programs for all children, improving participation in preschool programs and maximising the benefit of the preschool year by improving outcomes for children.
4. The Agreement supports the delivery of 15 hours a week, or 600 hours a year of quality preschool programs, by a degree qualified early childhood teacher for all children, regardless of the setting in which programs are delivered, in the year before school.
5. The Agreement has a focus on improving preschool participation and outcomes including for Aboriginal and Torres Strait Islander children and disadvantaged children.
6. This Plan is the first of four annual implementation plans that will build on each other to deliver the reforms outlined in the Agreement.

PART 2: TERMS AND DEFINITIONS OF THIS PLAN

7. This Plan will commence as soon as it is agreed between the Commonwealth of Australia, represented by the Minister for Education and Youth, and the State of Victoria, represented by their Minister for Early Childhood.
8. As a schedule to the Agreement, the purpose of this Plan is to provide the public with an indication of how the State of Victoria demonstrates its capacity to achieve and deliver the outcomes of the Agreement.

9. This Plan will cease on completion of the final performance reporting and the processing of final payments against the performance benchmarks or milestones set out within it for 2022.
10. The Australian Government Department of Education, Skills and Employment and central agencies will develop a new template for Implementation Plans from 2023 in consultation with States and Territories. The Commonwealth will require new and additional information in accordance with the Preschool Reform Agreement and the Federal Funding Agreements Principles from 2023.
11. This Plan may be varied by written agreement between the Commonwealth and the responsible State Minister.
12. The Parties to this Plan do not intend any of the provisions to be legally enforceable. However, that does not lessen the Parties' commitment to the Plan and its full implementation.

PART 3: FUNDING CONTRIBUTION

Commonwealth Funding Contributions

13. The Commonwealth's estimated total financial contribution to the State of Victoria is set out in Tables 1a (program year) and 1b (financial year) of the Agreement.
14. However, the Commonwealth's financial contribution in individual program years is adjusted in accordance with the notes to Tables 1a and 1b of the Agreement. Consistent with the agreed adjustment process, the final amounts for 2022 are set out in **Table 1**.
15. The Commonwealth contribution can only be moved between years with the agreement of the Commonwealth.

Table 1: 2022 Commonwealth financial contribution to the State of Victoria

Category	Amount ¹
Estimated YBFS Contribution	\$124,132,707
Adjustment to Estimated YBFS Contribution	N/A
Top-up to maintain 2021 levels	\$4,413,779
Implementation Project funding	\$5,750,000
Total Budget	\$134,296,486

¹Figures may not add due to rounding.

16. **Table 2** should be used to show how the State of Victoria will use Commonwealth funding to meet the objectives of the Preschool Reform Agreement. This may include strategies to facilitate preschool attendance by children in the year before full-time school.

Table 2: Program/activities objectives and outcomes

	Program/activity	Outputs	Objectives	Outcomes	Estimated C'th funds allocated
1.	Provision of 15 hours per week of four-year-old kindergarten	Quality, affordable preschool programs	To facilitate children's early learning and development	All children have access to, and are able to participate in, an affordable, quality early childhood education program	\$128,546,486

State context and funding contributions

17. A diverse range of service providers deliver kindergarten in Victoria, including government and non-government providers, private for-profit providers and community service organisations. The Victorian Government funds these services, irrespective of setting, to contribute to the cost of running a funded kindergarten program.
18. Victorian 2022 funding rates for all services are available on the Victorian Department of Education and Training website at: <https://www.education.vic.gov.au/childhood/providers/funding/Pages/kinderfundrates.aspx>
19. Services charge families fees to help meet the cost of running kindergarten programs. Fees are set by individual services and can vary depending on service type, how many hours a child attends, group size and extra costs such as excursions.
20. In developing this Implementation Plan consideration has been given to the Victorian context. Key factors listed below:
 - a. the historic community ownership of kindergartens
 - b. the maturity of the kindergarten system which is operating at close to full capacity (spaces and teachers) in some areas such as growth corridors and inner metropolitan suburbs
 - c. the extent to which the full range of early years services (kindergarten for both 3 and 4 year olds, playgroups etc.) are embedded in and valued by local communities
 - d. anticipated continuation of the high participation rate in Victorian kindergarten programs
 - e. the ongoing implementation of the National Quality Agenda
 - f. a period of significant population growth in parts of Victoria
 - g. policy and legislation that may impact on access and participation (e.g. Victoria's No Jab No Play, the Australian Government's No Jab No Pay and the new Child Care Subsidy)
 - h. the ongoing impact of the coronavirus (COVID-19) pandemic on the Victorian community.
21. The Victorian Government undertakes a range of activities to help meet the objectives of maintaining universal access to affordable, quality preschool programs for all children, improving participation in preschool programs, and maximising the benefit of the preschool year by improving outcomes for children. These actions are outlined in Table 4.

Implementation Project Funding Contributions

22. This section will include a State’s summary of details of implementation project funding provided by the Commonwealth including funding amounts and purpose. States will be required to provide details of how Implementation Project Funding will be used to deliver reforms, including key performance indicators (KPIs) and timing. Details will be captured at **Table 3**.

Table 3: Overview of Implementation Project Funding for State of Victoria - Statement of Allocations (updated by 31 January 2022)

Implementation Project (details)	Commonwealth funding	Actions (incl. deliverables)	KPI	Timing (incl. delivery schedule)
Attendance data collection	\$5,750,000	<ul style="list-style-type: none"> • Commence scoping and preparing for new state-based system to collect attendance data from sessional services e.g. IT system development • Agree approach to a sample collection for 2023 • Utilise any unspent funding not required for scoping and preparing for the new state-based system to begin to implement changes required for data collection 	Scoping complete in 2022	December 2022

23. Consistent with the terms of the Agreement, Commonwealth funding for Implementation Projects will be provided as part of the first milestone payment of the Agreement, subject to the Commonwealth and State agreeing to this Plan.

Risk Management

24. The Victorian Department of Education and Training will actively identify, monitor and manage the risks associated with delivering outcomes under the Agreement, such as through maintaining a risk management plan.

PART 4: REFORMS

25. As part of the Agreement, the State of Victoria and the Commonwealth agree to work collaboratively to implement reforms outlined in the Additional terms in the Agreement.
26. The actions that the State of Victoria will undertake to meet these commitments are detailed in **Table 4**.

Table 4: Planned Actions for the period 1 January 2022 to 31 December 2022 for the State of Victoria

Reform Element	Actions	Timing
<p>Reform Element One: Implement Commonwealth Funding Follows Child</p> <p>Steps to ready the state to ensure Commonwealth Funding Follows Child can be implemented in 2023.</p>	<p>Measures to be undertaken 2022</p> <ul style="list-style-type: none"> • Victoria has a strong foundation for ensuring Commonwealth funding is allocated to settings in which children attend preschool, through its service agreement monitoring. • The eligibility criteria for services to receive Victorian Government kindergarten funding is outlined in Victoria’s Kindergarten Funding Guide (https://www.education.vic.gov.au/childhood/providers/funding/Pages/kinderfundingcriteria.aspx) • Victoria is continually reviewing how to strengthen and enhance current contract management arrangements and processes. 	<p>Throughout 2022</p>
<p>Reform Element Two: Implement a new national preschool attendance measure</p> <p>Work to ready the State to measure preschool attendance in 2024 and provide baseline data to the Commonwealth in 2023.</p>	<p>Measures to be undertaken 2022</p> <ul style="list-style-type: none"> • Victoria undertakes to work collaboratively with the Commonwealth on the development of a preschool attendance measure, including the ‘definition’ of ‘attendance’ and ‘disadvantaged’, methodology, and data considerations (refer to Appendix A.1). • Complete scope and commence preparing for new state-based system to collect attendance data from sessional services. • Agree approach to an interim collection of attendance data for 2023. 	<p>Throughout 2022</p>
<p>Strategies to facilitate preschool attendance by children in the YBFS. For strategies relating to Aboriginal and Torres Strait Islander children, consistent with the Closing the Gap agreement, engage those communities and/or representative bodies in the design process.</p>	<p>Measures to be undertaken 2022</p> <ul style="list-style-type: none"> • The department works closely with local government, kindergarten providers and other stakeholders to support attendance through initiatives such as: <ul style="list-style-type: none"> ○ Kindergarten Fee Subsidy – promotes participation by enabling eligible children to attend a funded kindergarten program free of charge in the year before school. ○ Early Start Kindergarten – provides targeted funding for vulnerable or Aboriginal children to attend a free kindergarten program two years before school. ○ Access to Early Learning program – provides additional support for children experiencing vulnerability and/or disadvantage to address complex barriers to participation in early childhood education and care. ○ Early Childhood LOOKOUT – supports children in out-of-home care to attend kindergarten and builds the capacity of the sector to identify and engage children in out-of-home care in kindergarten and support vulnerable children at risk of entering out-of-home care. 	<p>Throughout 2022</p>

Reform Element Three: Implement a new national Preschool Outcomes Measure from 2025		
Plans for how the State will work with the Commonwealth to develop the preschool outcomes measure.	Measures to be undertaken 2022 <ul style="list-style-type: none"> Victoria undertakes to work collaboratively with the Commonwealth on the development of the preschool outcomes measure, trial and evaluation. 	Throughout 2022
Reform Delivery/Implementation		
State-specific data and implementation issues and strategies for how these will be overcome in the context of assessing performance under the Agreement.	Measures to be undertaken 2022 <ul style="list-style-type: none"> Victoria undertakes to work collaboratively with the Commonwealth to finalise the new year before full-time school (YBFS) methodology. 	Throughout 2022

PART 5: PERFORMANCE AND REPORTING ARRANGEMENTS

27. Part 5 sets out the performance and reporting arrangements for the State of Victoria for 2022.
28. Commonwealth and State based collections or data sources and methodologies, agreed by both the Parties to this Plan, to measure progress against the performance milestones and benchmarks and targets in the Agreement, are set out in Part 5 of this Plan and Appendix B of the Agreement.
29. These data and performance specifications will be used to report State of Victoria performance, except for the supplementary data agreed by the Parties to this Plan.
30. Supplementary data reports must contain the following details for each Performance Indicator (PI) where the method is not consistent with the Early Childhood Education and Care Minimal Data Set (NMDS):
 - a. PI calculation description (numerator, denominator, computation and presentation)
 - b. numerator information (collection name and population description)
 - c. denominator information (collection name and population description)
 - d. calculation notes (including any information about how the PI is calculated)
 - e. methodology
 - f. rationale for supplementary data and reporting (including any additional information to explain how and why the specifications for the supplementary data differ from the specifications in the NMDS).

Performance requirements, reporting and payment summary 2022

31. Performance Reporting for 2022 will capture progress against planned actions undertaken by the State of Victoria as detailed at Table 4.
32. Performance results and reporting will be signed off by the Commonwealth Minister who will then inform the State of Victoria Minister of the outcome through an exchange of letters.

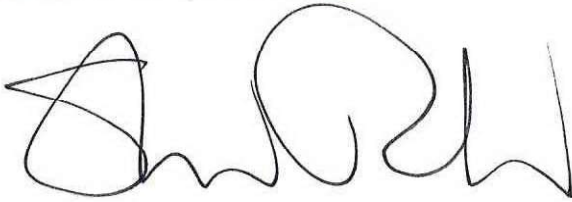
Sign off

33. The Parties have confirmed their commitment to this agreement as follows:

Signature 

Date 21 / 03 / 2022

Ingrid Stitt MP
Minister for Early Childhood



23 / 3 / 2022

Signature

Date

The Hon Stuart Robert MP
A/g Minister for Education and Youth