



**Senate Standing Committee on Education, Employment  
and Workplace Relations**

**Inquiry into the provision of Child Care**

**Submission prepared by  
the Shire of Yarra Ranges**

**January 2009**

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## INTRODUCTION

At its meeting on 16 December 2008, the Shire of Yarra Ranges Council resolved to prepare a written submission, and welcomes the opportunity to provide input into this Inquiry into the Provision of Child Care. The Council resolution reads as follows:

### **Submission to the Senate Inquiry into the Provision of Childcare**

That:

1. Council make a submission to the Senate Inquiry into the provision of Childcare prior to the close of submissions on the 30 January, 2009 and that the submission include:
  - a) Calls for greater federal investment into community based child care.
  - b) Support for local government to provide or support childcare services and that the provision of childcare is affordable and of high quality.
  - c) Acknowledgement that provision of Childcare is an important part of early childhood development and should provide quality care, health and educational outcomes for children and families.
  - d) That there be adequate performance monitoring including financial audits.
  - e) That federal funding for capital grants for childcare be reinstated.
  - f) Provide funding to local government and not for profit community groups for failed ABC childcare centres with the provision that the net operating costs, including leases and other costs associated with buildings and grounds, are funded by the federal government and any costs to be borne by council are identified for council to consider first and that Council is indemnified against any liabilities arising from the existing operations.
2. Council works with the Committee of Management from the Robyn Jane Childcare Centre in Healesville to assist with their negotiations to take over the operation of the ABC Childcare centre located in Healesville.
3. Council notes that where appropriate council's family and children's services staff will offer advice and support to ABC Learning staff and users.

This paper aims to provide comment on the impact of the collapse of the ABC Learning Group (and the closure of a local Neighbourhood Learning Centre), the need for greater federal investment in community based child care, support for Local Government and community providers for affordable and high quality child care, and other policy issues relating to the provision of Early Childhood Education and Care (ECEC).

## INTERFACE COUNCIL

The Shire of Yarra Ranges is an Interface Council, lying at the interface of metropolitan Melbourne and rural Victoria, sharing aspects of both urban and rural communities. In an arc around Melbourne from the south-west to the south-east, the Interface municipalities are:

- Cardinia Shire Council;
- City of Casey;
- City of Whittlesea;
- Hume City Council;
- Melton Shire Council;
- Mornington Peninsula Shire Council;
- Nillumbik Shire Council;
- Shire of Yarra Ranges; and
- Wyndham City Council.

As with all Interface municipalities, the Shire's population dispersion is concentrated around urban areas, with significant numbers of people living in rural townships. Approximately 60 percent of the population lives within the Urban Growth Boundary (UGB) and 40 percent lives in the 50 townships, small communities and rural areas which are unevenly dispersed across the Shire. The urban areas account for only 5 percent of the total land mass of the Shire.

The Shire has undertaken significant research over the past seven years into the social, economic and environmental aspects of the community. This has resulted in the development of a range of strategies focused on building a vibrant, safe, healthy and quality place to live. Our approach is predicated on a quadruple bottom-line to sustainability, building the social, economic, environmental and cultural aspects of the community. We have developed a unique relationship with our community, focussed on strong partnerships that work towards achieving our vision of strong local communities, which are sustainable into the future.

## CHARACTERISTICS OF THE SHIRE

With an area of almost 2,500 square kilometres, the Shire is the largest of any metropolitan or 'interface' local government area in Victoria. It is the sixth largest municipality in the metropolitan area and the seventh largest in the State in terms of population.

The Shire has some of the most significant natural reserves in the State, including the Dandenong Ranges and the Yarra Ranges National Parks. Public land accounts for 65% of the total land mass and rural land for a further 30%, while the remaining five percent is urban.

The Shire is a mixture of urban and rural communities. Approximately 60% of the Shire's population lives within the Urban Growth Boundary (UGB) and 20% live in the 50 townships and small communities which are unevenly dispersed across the Shire. The remaining 20% live in areas classified as rural. In the more rural areas, encompassing towns such as Healesville, Yarra Glen and those along the Warburton Highway, the population is approximately 17 people per square kilometre, which is comparable to most rural shires.

The topography of the Shire presents challenges to economic development and provision of services. Significant geographic divisions and physical barriers exist between townships. This compounds the effects of the overall scale of the Shire, as does the limited availability of public transport in many areas.

The Shire faces a number of challenges in relation to developing a sustainable community, providing the same opportunities to residents as other municipalities in metropolitan Melbourne. These challenges include:

- Dispersed population living in over 50 rural townships across the Shire;
- Topography which divides the Shire into three distinct areas, with significant divisions and physical barriers existing between townships;
- Limited public transport from the central areas of metropolitan Melbourne to the Shire and across the Shire;
- Areas of high socio-economic disadvantage; and
- Limited service infrastructure, including education and training, health services and employment.

## POPULATION CHARACTERISTICS

Yarra Ranges can be characterised as a 'young' Shire, with a higher than average proportion of the population aged between 5 and 17 years and more family households than typical across Melbourne. At the time of the 2006 ABS Census, the Shire was home to 8,977 children aged 0-4 years, representing 6.5% of the total population. The median age of Yarra Ranges' residents is 36.4 years. While cultural diversity is not as pronounced in the Shire as it is in other municipalities, almost 10,000 residents of the Shire are from non-English speaking backgrounds (ABS, Census, 2006).

The diversity of needs within the Yarra Ranges is significantly different to that experienced by other metropolitan councils. The diversity and dispersion of the Shire's communities significantly impacts on infrastructure and service provision, particularly to the more rural areas of the Shire.

There are areas of significant disadvantage in the Shire. These are concentrated primarily in the rural areas of the Shire, with pockets of disadvantage within the urban areas of Mooroolbark and Kilsyth. These localities had SEIFA index scores below the national, state and Shire average on the advantage/disadvantage scale. The levels of disadvantage in the indigenous community are well documented.

## OVERVIEW OF ABC CHILD CARE SERVICES

There are four child care centres in the Shire that were operated by ABC Learning Centres:

- ABC Montrose (158 Swansea Road) – licensed for 70 child care places;
- ABC Mooroolbark (11-13 Cambridge Road) – licensed for 75 child care places, (but currently providing 60 places);
- ABC Healesville (42 Maroondah Highway) – licensed for 90 child care places;
- ABC Belgrave Heights (75 Colby Drive) – licensed for 60 child care places;

A fifth centre was operated as a Neighbourhood Early Learning Centre:

- Yarra Glen Neighbourhood Early Learning Centre (1 Symonds Street) is licensed for 70 places.

There are, in total, 26 child care centres currently licensed in the Shire providing an estimated 1507 child care places. The four ABC centres in the Shire (and one Neighbourhood Learning Centre) therefore constitute 19% of the total number of centres and 24% (nearly one quarter) of licensed child care places in the Shire.

## EFFECTS ON INDIVIDUAL SUBURBS AND TOWNSHIPS

In order to understand the relative risk of a lack of child care places as a result of the collapse of ABC Learning, the data may be broken down into five sub areas within the Shire:

- Lilydale and Chirnside Park (no ABC centres)
- Mooroolbark, Kilsyth, Montrose and Mt Evelyn (2 x ABC centres)
- Healesville (1 x ABC centre)
- Hills area (1 x ABC centre)
- Upper Yarra (1x Neighbourhood Learning Centre; no ABC centres)

It should be noted, that there are a number of ABC centres in both Maroondah and Knox Local Government Areas that, potentially, provide service for families who live in the Shire and the effects, particularly on the more urban parts of the Shire may be more significant than are indicated by this analysis.

An issue worthy of note is that many ABC centres are located in stand alone arrangements, and not in 'hub environments' which reflect best practice provision standards, and are favoured by the Shire of Yarra Ranges.

#### HEALESVILLE AND YARRA GLEN CHILD CARE

Whilst three ABC centres have been deemed by the receiver to be financially viable, Yarra Glen Neighbourhood Early Learning Centre will close in January 2009 and ABC Healesville remains open as a result of government guarantees until March 31st 2009. These two centres provide two thirds of the currently available child care places in the townships of Healesville and Yarra Glen. Many Yarra Glen parents are currently required to look outside of their communities for alternative child care places with consequent increased costs and disruption to families, children, school placements and work arrangements.

#### POLICY ISSUES

Families in the Shire are directly affected by the collapse of ABC (and subsequently the closure of a number of Neighbourhood Early Learning Centres) and a government policy that allowed one, financially unstable, provider to achieve such a prominent influence within the sector.

Yarra Ranges Council believes that early childhood education and care (ECEC) are important services, both to meet the needs of working families, but also to provide quality early childhood experiences for children that have a positive and long lasting impact on their development. The evidence is clear that the quality of such services (especially in terms of child staff ratios, centre programming and staff qualifications) is crucial to these outcomes.

As a provider of quality children's services (Yarra Ranges Council currently operates two long day care centres), the Shire is aware that the cost of providing such services is high and the need to keep fees affordable for families requires government to provide significant levels of funding. This level of funding provides a powerful lever for government to shape the development of the ECEC sector in a pro-active manner, encouraging quality, diversity and meeting community needs.

## RECOMMENDATIONS FOR ACTION

The Shire of Yarra Ranges Council therefore urges the Senate Inquiry to consider the following:

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### *Recommendation One*

Proposing a national ECEC strategy that recognises that services need to provide high quality experiences for children, in accessible venues within local neighbourhoods and guarantees that the services will be available at affordable cost to families.

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### *Recommendation Two*

The need to provide planning capacity to develop the sector effectively, rather than rely on the influence of the “market”. This is particularly important in rural and interface communities where commercial decisions have left communities without adequate provision. In Victoria, Local Government is well placed to provide this capacity by building upon existing Municipal Early Years Plans and providing the potential for integration with sessional kindergartens, maternal and child health and other family services.

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### *Recommendation Three*

The need to secure and increase the influence of community based child care services in the ECEC sector. In order to achieve this increased levels of capital funding should be provided to community based services that wish to expand.

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### *Recommendation Four*

The need to tailor operational funding/subsidies to secure the future of smaller scale services in rural and interface communities that might otherwise fail to be commercially viable under the current model of childcare provision.

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### *Recommendation Five*

The need for the new National Quality Framework to assess ECEC quality in terms of the observed richness of relationships and experiences.

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### *Recommendation Six*

The need to ensure that large scale operators of ECEC are subject to sufficiently rigorous financial audits carried out to agreed accounting standards.



In seeking to secure the future of appropriate ECEC provision, specifically relating to failed ABC centres, Local Government and the community sector requires:

- recognition of its role in working with existing and prospective providers of ECEC;
- financial support (both in securing capital grants for property/leases and, if necessary, on-going operational subsidies) from the federal government; and
- indemnification by government for any liabilities arising from the previous operation of these centres.

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Signed:

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Date: \_\_\_\_\_

**Glenn Patterson**

Chief Executive Officer