VECRA Annual Report

2026



VECRA
Victorian **Early Childhood** Regulatory Authority

VICTORIA
State Government

Acknowledgement of Country

VECRA acknowledges the Traditional Owners of Country throughout Victoria and pays respect to their Elders past and present.

We recognise the continuing connection of Aboriginal and Torres Strait Islander peoples to land, waters, culture and community, and the importance of culturally safe, inclusive early childhood education and care for Aboriginal children and families.

VECRA is committed to listening, learning and working with Aboriginal communities as we carry out our regulatory role.

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Responsible Body's declaration

02 October 2026

Hon Lizzie Blandthorn MP
Minister for Children
Minister for Disability

Dear Minister,

I am pleased to present the Victorian Early Childhood Regulatory Authority (VECRA) Annual Report 2026 for the reporting period from 1 January to 30 June 2026, in accordance with the requirements of the *Financial Management Act 1994* and applicable reporting requirements.

VECRA was granted a full exemption by the Minister for Finance on 2 July 2026, under section 8(3)(d) of the *Financial Management Act 1994* and Standing Direction 1.5, from the application of the Standing Directions for the reporting period.

VECRA was established under the *Victorian Early Childhood Regulatory Authority Act 2025* and commenced operations on 1 January 2026 as Victoria's independent early childhood education and care regulator. This report provides a review of VECRA's activities, performance and outcomes in exercising its regulatory functions and powers during its first 6 months of operation.

I trust this report will assist Parliament, early childhood providers and services, families, stakeholders and the Victorian community to understand VECRA's work and outcomes during the reporting period.

Yours sincerely,



Wendy Steendam
Early Childhood Regulator

Regulator's foreword

The Victorian Early Childhood Regulatory Authority (VECRA) was established on 1 January 2026 as a key recommendation of the Rapid Child Safety Review, which was commissioned following child-safety failings in the early childhood sector.

VECRA ensures that Victoria's early childhood education and care services (ECEC) provide the safe, high-quality education and care that children need to thrive. Every child deserves to be safe in the places where they grow and play, and VECRA's role is to ensure that every ECEC service prioritises the safety, rights and best interests of children. Through its regulatory role under the National Quality Framework and Victorian children's services legislation, and as the integrated sector regulator for the Child Safe Standards, VECRA holds ECEC services to account for high-quality practice and works to strengthen child safety across Victoria's ECEC sector.

I was proud to join VECRA on 1 July 2026 as the state's inaugural Early Childhood Regulator. I want to thank Adam Fennessy, PSM, as the Interim Regulator (from 1 January to 30 June 2026), and Helen Quiney, Chief Executive Officer, for all their hard work in leading the organisation through the early establishment period, including the transition from the former Quality Assessment and Regulation Division within the Department of Education.

Working closely with VECRA's staff, the Department of Education and other regulators across Victoria, they implemented the recommendations of the Rapid Child Safety Review and embedded the paramountcy principle in VECRA's operations. Their work has meant VECRA is in the best possible position to deliver on its critical mandate to protect the safety, rights and best interests of children across the ECEC sector.

VECRA's work relies on skilled staff who are subject matter experts in early childhood regulation, working across the state. I also want to thank our staff who have worked so hard since VECRA was established. They are committed and diligent in their work to keep children safe and improve quality across Victoria's ECEC sector. They support services to understand what compliance means in practice, and they take swift, appropriate regulatory action where it's required. The first 6 months of VECRA have also seen great changes across the regulatory landscape with new laws and improved connections between Victoria's relevant regulatory authorities.

These changes included updates to National and Victorian laws, including a new inappropriate conduct offence, strengthened rules on personal devices in services and the National Early Childhood Worker Register. New display requirements also mean approved providers must make information about their service's quality ratings and compliance history available to families and carers, improving access to information about service quality and regulatory compliance. These reforms, together with stronger information-sharing powers, give our authorised officers the tools they need to act quickly and appropriately when children's safety is at risk.

VECRA also publishes monthly reports on its regulatory activity, so families have clearer information about the services they rely on. We have also improved the information and processes available for people to raise concerns directly with VECRA, including through our complaints channels and online information.

VECRA works closely with other child-safety regulators, including the Social Services Regulator, which reflects the state and national system we operate in and our commitment to working with our partners to strengthen public confidence in ECEC service regulation.

We look forward to building on the positive start VECRA has made. We will keep working with the sector to help children stay safe, and we will report on our activities and our progress during the 2026–27 reporting period.

Wendy Steendam AM, APM
Early Childhood Regulator

Section 1
About VECRA



1.1 Why VECRA was established

Every child deserves to be safe where they learn, grow and play.

VECRA was established on 1 January 2026 as an independent public authority under the *Victorian Early Childhood Regulatory Authority Act 2025* (VECRA Act).

The establishment of VECRA was a key part of the Victorian Government's response to the Rapid Child Safety Review. The Review recommended the establishment of an independent early childhood regulator as part of a broader package of reforms to strengthen oversight, regulatory capability, transparency and safeguards for children.

VECRA assumed the regulatory functions previously undertaken by the Quality Assessment and Regulation Division (QARD) of the Department of Education. Its establishment created a standalone regulator with a clear focus on the safety, rights and best interests of children.

1.2 VECRA at a glance

Established	1 January 2026
What we are	Victoria's independent early childhood education and care regulator, established under the VECRA Act
Approved services regulated	5,160
National Quality Framework (NQF) services	5,033
Children's Services Act 1996 (CSA) services	127
Approved providers	1,859
Services regulated	Long day care (LDC), kindergarten (KGN), family day care (FDC), outside school hours care (OSHC), occasional care and limited hours service(s)
Operating footprint	Statewide, with regulatory teams across metropolitan and regional Victoria (VECRA's organisational chart is reported under Section 4: Our organisation)

Reporting period: 1 January to 30 June 2026.

1.3 The sector we regulate

VECRA regulates a large and diverse ECEC sector across Victoria.

Approved providers range from individuals and small organisations to local governments, schools and large not-for-profit and private providers. A single approved provider may operate one or multiple early childhood services.

Most Victorian services operate under the NQF, including LDC, KGN, OSHC and FDC. VECRA also regulates a smaller number of occasional care and limited hours service(s) under Victoria's CSA.

As at 30 June 2026, VECRA regulated 1,859 approved providers and 5,160 approved services across Victoria.

Education and care services regulated under the NQF

Centre-based care

Delivered on premises suitable for education and care, including:

Standalone kindergarten:

- Standalone KGN delivers educational programs for 3–5-year-old children only (not younger children).
- Children typically start kindergarten in the 2 years before starting school, usually when they are 3 years old.

Long day care:

- Education and care programs delivered by early childhood teachers and diploma and Certificate III level-qualified educators.
- Primarily aimed at children from birth to 6 years.
- Most LDC services also offer funded kindergarten programs to 3- and 4-year-old children.

Outside school hours care:

- Usually located at or close to primary schools.
- Provide care for primary-school-aged children (5–12 years) outside school hours and during school holidays.
- Education and care may also be provided on student-free days.

Family day care:

- Can be provided to children from birth through to school age.
- Generally provided by a single educator in their own home.
- Educational program is based on the developmental needs, interests and experiences of each child.
- May be available overnight or on weekends for families who are on-call or work shifts.

Children's services regulated under the CSA

Children's services regulated under the CSA are specifically excluded from regulation under the NQF.

All children's services provide centre-based care. They include occasional care services, limited hours service(s), school holiday care services that operate for fewer than 28 days per year, early childhood intervention services, 'mobile' services and former budget-based funded services.

There are 2 children's service approval types:

Limited hours service(s):

- Each child is cared for or educated for not more than 3 hours a day, and not more than a total of 6 hours a week.

Occasional care services:

- All other children's services that are not limited hours service(s).
- Provide care primarily on an ad hoc or casual basis and are not usually full-time, all day or ongoing.
- There is no limit on the number of hours children can be educated and cared for each week.
- Most of the children are not school-aged children.

Note: Centre-based services are classified by the types of care they provide. Services that provide LDC in addition to any other type of care are classified as LDC; services that provide kindergarten and outside school hours care (OSHC), but not LDC, are classified as KGN; and services that provide only OSHC are classified as OSHC.

Approved providers by management type

Provider management type	Approved providers
Catholic and independent schools	91
Government schools	200
Local government	63
Not-for-profit	562
Private-for-profit	943
Total	**1,859**

Approved services and places as at 30 June 2026

Care type	Approved services	Approved places
NQF	**5,033**	**354,394**
Centre-based care	**4,911**	**354,394**
LDC	2,155	201,623
KGN	1,257	64,339
OSHC	1,498	88,308
Other	1	124
FDC	**122**	**–**
CSA	**127**	**3,189**
Total	**5,160**	**357,583**

Note: Approved places represent the maximum number of children a service is approved to educate and care for at one time. They do not represent current enrolments or attendance. Places are reported for centre-based services and services regulated under the CSA. FDC services are approved by reference to educators rather than a fixed number of service places.

1.4 How VECRA regulates

Our regulatory role

VECRA regulates entry to the sector, monitors and assesses services, investigates concerns and risks, and takes compliance and enforcement action where requirements are not met. VECRA regularly assesses and rates ECEC services against the National Quality Standard (NQS).

We also provide information and guidance to support compliance, share regulatory information where authorised, and publish information to support transparency for families and the community.

Our regulatory framework

VECRA carries out this role across 3 connected regulatory frameworks.

NQF	Most Victorian early childhood education and care services are regulated under the NQF, which includes the Education and Care Services National Law, National Regulations and NQS.
Victorian Children's Services legislation	Occasional care and limited hours service(s) outside the NQF are regulated under the CSA and *Children's Services Regulations 2020*.
Child Safe Standards (CSS)	VECRA is the integrated sector regulator for the CSS for early childhood services in Victoria. The Standards form part of VECRA's broader oversight of child safety and organisational practice under the *Child Wellbeing and Safety Act 2005*.

Our regulatory approach

VECRA is a responsive, risk-based regulator. We use evidence, data and regulatory intelligence to understand risk and direct our regulatory attention to where it is most needed. Our response reflects the nature and seriousness of the issue, the actual or potential impact on children and relevant compliance history. We work constructively with providers and educators to support compliance and improvement. Where stronger intervention is required, we use our regulatory and enforcement powers to protect children and address non-compliance.

These 7 principles guide how VECRA directs its regulatory effort and makes decisions:

Targeted
We direct regulatory attention and resources to areas of greatest risk.

Proportionate
Our response reflects the seriousness of the issue and its actual or potential impact on children.

Transparent
We are clear about our regulatory role, activities, decisions and outcomes.

Inclusive
We engage with families, the sector, other regulators and government.

Consistent
We apply our regulatory approach and decision-making processes consistently.

Accountable
We are accountable for our regulatory decisions and outcomes.

Immediate risk
Where there is a serious or immediate risk to children, VECRA can act without delay.

Our regulatory functions and tools

Function	How VECRA regulates
Approvals and entry to the sector	Assess provider and service applications and make decisions on entry to the sector.
Monitoring and inspections	Undertake announced and unannounced visits, observe practice, inspect records and gather information.
Assessment and rating	Assess eligible services against the NQS.
Investigations	Investigate complaints, serious incidents, suspected breaches and risks to children.
Action involving individuals	Use strengthened powers introduced in 2026 to respond directly to certain individual conduct and risk.
Compliance and enforcement	Use statutory notices, approval action, infringement mechanisms and prosecution where appropriate.
Information sharing and transparency	Share information where authorised and publish permitted regulatory information to improve transparency and identification of risk.

1.5 First 6 months

Establishing the regulator and delivering reform

VECRA's first 6 months combined the establishment of a new statutory authority with uninterrupted regulation of the early childhood sector and implementation of significant child-safety reforms.

Staff, active regulatory matters, records and systems transitioned from the Department of Education, while VECRA established its own leadership, governance, identity, website, public contact channels and corporate arrangements.

At the same time, significant reforms to early childhood regulation were commencing in Victoria and nationally. These included changes under the NQF to strengthen the safety, rights and best interests of children, increase penalties, strengthen workforce safeguards, introduce new powers relating to individual conduct and establish the National Early Childhood Worker Register.

VECRA worked with the Australian Children's Education and Care Quality Authority (ACECQA), other state and territory regulatory authorities and Victorian Government partners to implement these changes while enhancing its regulatory functions.

Case study:

Emergency action to address immediate service risk

On 16 June 2026, VECRA issued an Emergency Action Notice to the approved provider of Woodlands St Kilda Road after an unannounced visit identified serious safety risks at the multi-storey service. Authorised Officers found that changes to fencing on the level 12 rooftop outdoor play area could allow young children to access the roof edge.

VECRA also identified inadequate emergency evacuation planning for children under 2. The notice required the rooftop play area to close until safety works were completed, and required improvements to evacuation instructions, procedures and staff training. VECRA continued monitoring compliance and considered further action given the seriousness of the breaches.

Establishment and operational milestones during the reporting period

Timing	Development
1 January 2026	VECRA commenced operations as Victoria's independent early childhood education and care regulator.
January – February 2026	Increased penalties took effect, alongside a strengthened focus on child safety within the NQF.
January – June 2026	VECRA established its new governance, systems and corporate arrangements, including its dedicated website and public complaints function.
27 February 2026	Major NQF child-safety reforms commenced, including the paramountcy principle, strengthened powers relating to individual conduct and the establishment of the National Early Childhood Worker Register.
March 2026	VECRA used a new individual-worker suspension power for the first time, preventing an educator from working elsewhere in the sector while serious allegations were being investigated.
March 2026	VECRA commenced an independent Capability Review to consider the capabilities required of a modern regulator.
27 March 2026	Approved providers were required to complete the initial entry of their current workforce information into the National Early Childhood Worker Register, after its commencement on 27 February 2026.
May 2026	VECRA and the NSW Early Learning Commission conducted a coordinated 2-day child-safety compliance operation, focused on implementation of new child-safety reforms including the National Early Childhood Worker Register and provided education about child-safe recruitment and employment practices.
May 2026	VECRA expanded public reporting of compliance and enforcement activity, publishing first-quarter results and more information about regulatory action.
June 2026	VECRA published its Regulatory Position Statement, setting out its regulatory posture, priorities and principles as an independent regulator.
June 2026	Appointment of the inaugural Early Childhood Regulator was announced, ahead of commencement on 1 July 2026.

1.6 Ministerial Statement of Expectations

The December 2025 Ministerial Statement of Expectations set out the Minister for Children's priorities for the Regulatory Authority in the lead-up to VECRA's establishment and during its initial operation. The Statement confirmed that these expectations would continue to apply to VECRA from its commencement on 1 January 2026.

The Statement focused on 3 key areas:

- Supporting implementation of Rapid Child Safety Review recommendations, including stronger workforce safeguards, increased compliance activity and quality assessments, and improved transparency for families.
- Establishing a strengthened, independent regulator underpinned by a capability review, including modernising regulatory tools, risk assessment, capability and training.
- Supporting and implementing national regulatory reforms agreed by Education Ministers.

Progress against these expectations is reflected throughout this Annual Report.



Section 2
Regulatory activity and performance

OUR FIRST 6 MONTHS

VECRA's first 6 months combined enhancement of core regulatory functions with the early implementation of strengthened child-safety reforms. This section reports on VECRA's regulatory activity and performance during the reporting period, including entry to the sector, monitoring and service quality, responses to concerns and non-compliance, and engagement with providers, families and regulatory partners.

2.1 Six months in operation: highlights and progress

More visible regulatory presence 1,722 services received at least one unannounced visit during the first 6 months.	**Assessing service quality** More than 96% of rated Victorian services were rated Meeting NQS or above as at 30 June 2026.
Nation-leading joint compliance activity VECRA and the NSW Early Learning Commission conducted a nation-leading coordinated cross-border child-safety compliance operation in May 2026.	**Using strengthened worker powers** VECRA used the new suspension-direction power for the first time on 27 March 2026.
Supporting the sector through change Six reform webinars reached more than 5,500 sector staff, supported by newsletters, targeted communications and guidance.	**Greater public transparency** VECRA published monitoring and compliance results, expanded enforcement information and launched its dedicated website in June 2026.

Sources: VECRA regulatory, communications and website datasets; ACECQA, NQF Snapshot Q2 2026.

2.2 Performance

VECRA reports against output performance measures for the Early Childhood Sector Supports and Regulation output.

The 2025–26 Early Childhood Sector Supports and Regulation Output Performance Measures have been met. These were delivered over the 2025 calendar year and are therefore reported in the Department of Education's Annual Report.

The table below shows VECRA's progress as at 30 June 2026 against the full calendar-year targets to be reported in the 2026–27 Annual Report.

Performance measure	2026 target	Progress at 30 June
Number of inspections of early childhood services	4,800	2,756*
Percentage of approved eligible services assessed and rated	25%	11.5%
Average days taken to report and issue a notice of a quality rating	50 days	46.4 days
Percentage of services receiving at least one unannounced visit per calendar year	70%	33.9%

*Note: This measure follows the methodology used for the Department Performance Statement and counts inspections with a status of completed during the reporting period. The 2,791 visits reported publicly in August 2026 use a broader methodology that includes both completed and scheduled visits that have a visit completed date in the reporting period. The figures are therefore not directly comparable.

What the measures show

The first 6 months show the scale of VECRA's regulatory presence while the new authority was being established. Unannounced visits were a particular focus, with 1,722 services receiving at least one unannounced visit by 30 June.

2.3 Regulating the sector

VECRA's regulatory work spans the full life of a service – from decisions about entry to the sector, through regular assessment of quality and ongoing monitoring and assessment, to action where concerns or non-compliance are identified.

Provider and service approvals

VECRA's Licensing and Approvals function is an important regulatory control at the point of entry to the early childhood sector. It assesses and approves applications and provides approval permission for market entry of new providers, services and individuals with management and control seeking to be involved in the provision of education and care services in Victoria. It also administers changes to current approvals.

Provider approval is the first step towards operating an approved service. In assessing applications, VECRA considers the suitability of applicants and people with management or control, including relevant compliance history, criminal history, financial circumstances, skills and experience. Service approval considers whether the proposed service premises are suitable for providing high-quality education and care and meet the requirements of the National Law and National Regulations.

From 27 February 2026, changes to the National Law strengthened VECRA's ability to rigorously assess the suitability of applicants for provider approval and to assess the safety of services.

In addition to provider and service approval applications, VECRA's Licensing and Approvals function manages a broader range of regulatory activities across the life of a service. This includes applications and notifications relating to waivers, amendments and transfers of service approvals, as well as other changes affecting approved providers and services including assessing the fitness and propriety of any individual with management and control of education and care services. As shown in the following table, these activities support VECRA's ongoing oversight of the sector. From 1 January to 30 June 2026, VECRA received 996 licensing applications. This included receiving 183 applications for new provider approvals and 121 applications for new service approvals.

Application type	Applications received – 1 Jan to 30 Jun 2026
Provider approval	183
Service approval	121
Amendment of approval	405
Service or temporary waiver	89
Transfer	124
Voluntary suspension	63
Internal review of reviewable decision	11
Total licensing applications	**996**

Source: VECRA Licensing and Approvals data, 1 January to 30 June 2026.
Note: Service or temporary waiver count includes Extension-Temporary Waiver, Revocation-Service Waiver and Service or temporary waiver.

Monitoring and compliance

Monitoring activity gives VECRA direct visibility of service practice and helps to identify risks to children's safety, health and wellbeing.

VECRA uses a range of regulatory activity to monitor whether services are meeting their legal obligations. This activity includes visits which may form part of scheduled compliance monitoring, occur in response to a notification, complaint or incident, support an investigation, or be undertaken as part of an assessment and rating or approval activity. Authorised Officers also provide advice and guidance to services where appropriate.

VECRA takes a risk-based and responsive approach to its regulatory activity. Evidence, data and regulatory intelligence are used to guide decisions and target effort towards areas of greatest potential harm. The regulatory response takes account of the nature and seriousness of an issue, its actual or potential impact on children, and the compliance history of the provider or service.

Unannounced visits are an important part of VECRA's monitoring approach, allowing Authorised Officers to observe day-to-day practice and identify issues requiring further regulatory attention.

1,722	33.9%
Services receiving at least one unannounced visit	**Share of services receiving at least one unannounced visit**

Source: VECRA data to 30 June 2026

During VECRA's first 6 months, 1,722 services, or 33.9% of services, received at least one unannounced visit.

Child Safe Standards in practice

VECRA monitors compliance with the Child Safe Standards through its broader regulatory activity and targeted compliance work.

Authorised Officers consider the Child Safe Standards as part of regulatory visits to early childhood education and care services. VECRA also continued its Focused/Themed Child Safe Standards Visit Program, with Authorised Officers making targeted inquiries to assess compliance. Some visits consider all 11 Child Safe Standards, while others examine particular standards or areas in greater depth.

From 1 January to 30 June 2026, VECRA considered the Child Safe Standards as part of 2,300 visits to early childhood education and care services.

VECRA also delivered regional education sessions and meetings with approved providers and services, which included information and discussion about the Child Safe Standards. Guidance and information about the Standards was also shared through VECRA's sector newsletters.

Where non-compliance with the Child Safe Standards is identified, VECRA can take regulatory and enforcement action using its powers under the *Education and Care Services National Law Act 2010* (Vic) and the CSA.

Services identified as being non-compliant receive written advice setting out the areas of non-compliance and the timeframe in which they are required to address them. Services must demonstrate to VECRA that the required action has been taken to achieve compliance. VECRA may also meet with services to provide further advice and support them to understand what is required.

Victoria's 11 Child Safe Standards

1 **Standard 1:** Organisations establish a culturally safe environment in which the diverse and unique identities and experiences of Aboriginal children and young people are respected and valued.	2 **Standard 2:** Child safety and wellbeing is embedded in organisational leadership, governance and culture.
3 **Standard 3:** Children and young people are empowered about their rights, participate in decisions affecting them and are taken seriously.	4 **Standard 4:** Families and communities are informed and involved in promoting child safety and wellbeing.
5 **Standard 5:** Equity is upheld and diverse needs respected in policy and practice.	6 **Standard 6:** People working with children and young people are suitable and supported to reflect child safety and wellbeing values in practice.
7 **Standard 7:** Processes for complaints and concerns are child focused.	8 **Standard 8:** Staff and volunteers are equipped with the knowledge, skills and awareness to keep children and young people safe through ongoing education and training.
9 **Standard 9:** Physical and online environments promote safety and wellbeing while minimising the opportunity for children and young people to be harmed.	10 **Standard 10:** Implementation of the child safety standards is regularly reviewed and improved.
11 **Standard 11:** Policies and procedures document how the organisation is safe for children and young people.	

CHILD SAFE STANDARD SPOTLIGHT

Child Safe Standard 6: People working with children and young people are suitable and supported to reflect child safety and wellbeing values in practice.

During the reporting period, VECRA focused on recruitment and induction as an important child-safety safeguard. As part of monitoring, compliance and assessment and rating visits, Authorised Officers considered how services were applying best-practice recruitment and induction, including screening, reference and qualification checks, Working with Children Checks and induction arrangements.

In 2026, VECRA commenced prosecution proceedings against a large provider for failing to operate the service in accordance with Child Safe Standard 6.

VECRA also published sector guidance in May 2026 to support approved providers to strengthen these practices.

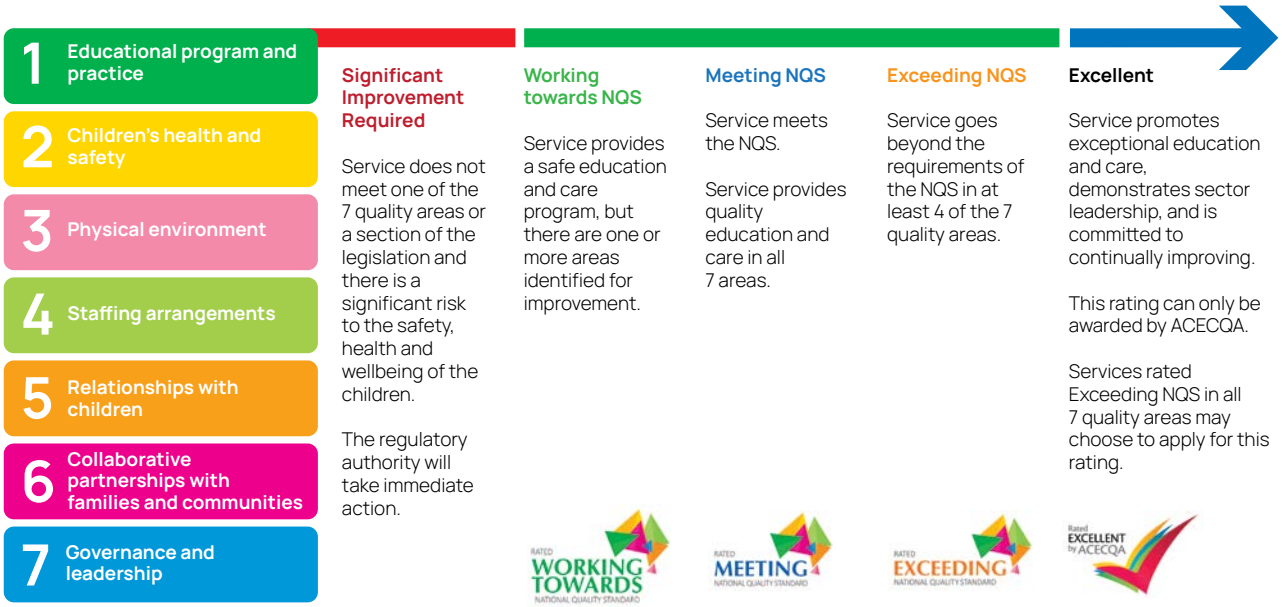
Source: Victorian Early Childhood Regulatory Authority (VECRA), 'Criminal charges against TheirCare Pty Ltd for allegedly putting children's safety at risk', Media release, 22 May 2026.

2.4 Service quality

Assessment and rating

Assessment and rating is a core part of VECRA's regulatory role. It provides an independent assessment of the quality of education and care delivered by services regulated under the NQF. Services are assessed against the NQS across 7 quality areas: educational program and practice; children's health and safety; physical environment; staffing arrangements; relationships with children; collaborative partnerships with families and communities; and governance and leadership. The assessment and rating process helps families understand service quality, supports continuous improvement by services and provides VECRA with important information about quality and risk across the sector.

Understanding the rating scale



NQS quality areas and rating scale
Source: ACECQA. Services are assessed across 7 quality areas and receive an overall rating.
Note: An 'Excellent' rating is awarded by ACECQA and may remain in place for up to 5 years, subject to the service continuing to meet the relevant requirements.

Victorian quality snapshot

More frequent assessment and rating forms part of the broader reforms outlined earlier in this report. The following snapshot shows the quality profile of Victorian services holding a current rating at the end of VECRA's first reporting period.

As at 30 June 2026, 4,670 Victorian services had a quality rating. Of these, 4,494 services, or 96.2%, were rated Meeting NQS or above. Quality ratings apply to services regulated under the NQF. Of Victoria's 5,033 NQF services, some newly approved or recently commenced services had not yet been assessed and rated. Services regulated under the CSA are not assessed against the NQS.

Overall quality ratings in Victoria

Overall quality rating	Victorian services
Excellent	7
Exceeding NQS	1,061
Meeting NQS	3,426
Working towards NQS	174
Significant improvement required	2
Total rated services	**4,670**

Source: ACECQA, NQF Snapshot Q2 2026, as at 30 June 2026.

Note: The number of rated services differs from the total number of approved services regulated by VECRA because the NQS does not apply to services regulated under the CSA. Some NQF services may also be newly approved, may not yet have commenced operating or may have only been operating for a short period. Newly approved services are generally assessed and rated within 9–18 months of commencing operations.

Overall quality ratings across service types in Victoria

Service type	Rated services	Meeting NQS or above	Percentage meeting NQS or above
Preschool and kindergarten	1,201	1,188	98.9%
Long day care	1,964	1,886	96.0%
Outside school hours care	1,404	1,346	95.9%
Family day care	100	73	73.0%
Other	1	1	100.0%
Total	**4,670**	**4,494**	**96.2%**

What the data shows

- Preschool and kindergarten services recorded the highest proportion of services rated Meeting NQS or above, at 98.9%. More than half of those rated services were rated Exceeding NQS.
- Results were also strong across long day care and outside school hours care, with 96.0% and 95.9% respectively rated Meeting NQS or above.
- Family day care had a different quality profile. Of the 100 rated family day care services, 73 were rated Meeting NQS or above, 26 were Working towards NQS and one was rated Significant improvement required.

Quality across provider management types

Provider management type	Rated services	Meeting NQS or above	Percentage meeting NQS or above
Not-for-profit	1,574	1,538	97.7%
Catholic and independent schools	126	123	97.6%
Local government	314	306	97.5%
Private-for-profit	2,463	2,356	95.7%
Government schools	193	171	88.6%
Total	**4,670**	**4,494**	**96.2%**

What the data shows

- More than 97% of rated services managed by not-for-profit providers, Catholic and independent schools and local government were rated Meeting NQS or above.
- Private-for-profit providers represented the largest group of rated services, with 2,463 services, of which 95.7% were rated Meeting NQS or above.
- Services managed by government schools recorded a different profile, with 88.6% rated Meeting NQS or above and 11.4% rated Working towards NQS.

Overall, the assessment and rating results demonstrate a high level of quality across Victoria's early childhood education and care sector, while also showing variation between service types and provider management arrangements. These results provide an important view of where quality is strong across the sector and where continued regulatory attention and improvement remain important.

Source: ACECQA, NQF Snapshot Q2 2026, data as at 30 June 2026.
Note: 'Meeting NQS or above' includes Meeting NQS, Exceeding NQS and Excellent. OSHC includes before-school, after-school and vacation care.

2.5 Responding to risk

Complaints, notifications and enforcement

Complaints and statutory notifications are important sources of regulatory intelligence. They can identify emerging risks, patterns of concern and individual matters requiring further assessment, a regulatory visit, investigation or enforcement action.

Approved providers are required under the National Law to notify VECRA of specified matters, including certain incidents and complaints. These statutory notifications provide VECRA with information that may require further assessment or regulatory action.

Direct and notified complaints

During the reporting period, VECRA recorded 2,427 complaints across 2 channels. This included complaints made directly to VECRA by families, staff and members of the public, and complaints reported by approved providers through their statutory notification obligations.

Information source	Cases recorded
Direct complaints to VECRA	962
Complaints to VECRA reported through statutory notifications	1,465
Total	**2,427**

Source: VECRA complaints dataset as at 30 June 2026.

These figures represent considerable increases over the same timeframe in 2025, which are also reflected in VECRA's website complaints page visits.

Website – complaints	1 Jan – 30 Jun 2026	1 Jan – 30 Jun 2025
Complaints page visits	10,248	3,638
VECRA complaints web form visits	5,744	–
QARD complaint form downloads	–	490

Source: VECRA website dataset as at 30 June 2026.

To help parents, carers, educators and other early childhood service staff make complaints, VECRA has improved the information and processes to make a complaint, including an easy-to-use web form and associated web pages.

RESPONDING TO THE RAPID CHILD SAFETY REVIEW

VECRA's work on improving the information and processes for complaints supports Recommendation 18.2 of the Rapid Child Safety Review, with a focus on making concerns easier to raise and strengthening the role of families' experiences in informing regulatory action.

Enforcement activity

VECRA uses a range of regulatory responses to address non-compliance. The response depends on the nature and seriousness of the issue, the actual or potential impact on children, the compliance history of the provider or individual and the action needed to manage risk. Where there is serious or immediate risk to children, VECRA can act without delay and use stronger enforcement powers.

VECRA recorded 2,414 compliance and enforcement actions during the first 6 months. The mix of responses reflected the range of matters dealt with, from administrative action and follow-up through to stronger statutory action.

Compliance action category	Actions recorded
Administrative actions	1,854
Show-cause actions	25
Statutory actions	535
Total	**2,414**

Statutory compliance action types	Actions recorded
Approval amended	2
Approval cancelled	416
Compliance direction issued	13
Compliance notice issued	63
Direction to Suspend Staff or Volunteer (not family day care educator)	6
Emergency action notice issued	9
Enforceable undertaking issued	4
Notice of suspension issued	1
Prohibition notice issued	15
Prosecution initiated	6
Total	**535**

Source: VECRA compliance and enforcement dataset, 1 January to 30 June 2026.

REGULATORY ACTION

Strengthened powers used in practice

During its first 6 months, VECRA issued 15 prohibition notices and 6 suspension directions, a total of 21 actions aimed at preventing potentially unsuitable individuals from working in early childhood services. VECRA also issued 9 emergency action notices, requiring providers to take urgent action where there was an immediate risk to the safety, health or wellbeing of children.

On 27 March 2026, VECRA used the new suspension-direction power for the first time, preventing an educator from working elsewhere in the sector while serious allegations were being investigated.

2.6 Engagement and transparency

How VECRA engaged

Regulation is supported by clear information, 2-way engagement and effective relationships with the people and organisations that hold relevant information or responsibilities. VECRA's engagement during the first 6 months fell into 3 main engagement types.

Engagement type	Purpose	How VECRA engaged
Providers and services	Help duty holders understand obligations, reforms and expected practice.	Sector newsletters, targeted electronic direct mailings (eDMs), webinars and information sessions, published guidance, education during regulatory visits and the Regulatory Reference Group.
Families and the community	Make it easier to understand service quality and regulation, access information and raise concerns.	VECRA's website and public information, complaints channels, quality and compliance information, and publication of monitoring and enforcement activity.
Regulatory partners	Share information, support consistent regulation and coordinate action when risks cross organisational or jurisdictional boundaries.	Work with ACECQA, state and territory regulatory authorities, relevant Victorian child-safety and integrity bodies, law enforcement and government partners, including joint compliance activity.

Why this mattered in the first 6 months

VECRA became a new independent regulatory body at the same time as significant child-safety changes were commencing. Engagement therefore had 2 practical purposes: helping the sector understand and implement new requirements and making VECRA's regulatory information and contact channels more accessible to families and the community.

Activity, reach and regulatory collaboration

The webinar program supported providers and educators to understand major child-safety changes commencing in February 2026. Newsletters, targeted communications, website guidance and education during service visits reinforced this information throughout the reporting period.

Activity	1 January to 30 June 2026
Sector newsletters	6 editions
Newsletter subscribers	More than 8,400 as at 30 June 2026
Targeted provider and service eDMs	17
Child-safety reform webinars	6 x 90-minute sessions
Webinar participation	More than 5,500 sector staff
Regulatory Reference Group	1 meeting; 43 confirmed attendees

Source: VECRA communications and engagement data, 1 January to 30 June 2026.

Families and the community

VECRA's dedicated website launched on 4 June 2026, providing a clearer public entry point for information about regulation, service quality, complaints and compliance.

During the reporting period, VECRA also increased the amount of regulatory information available publicly, including more detailed compliance and enforcement information. This supported the Rapid Child Safety Review's focus on greater transparency and helped families to access information relevant to the quality and compliance history of services.

Digital engagement measure	1 January to 30 June 2026
Homepage sessions across VECRA's web platforms	24,948
User feedback rating pages as useful	72.7%
Views – Displaying quality and compliance history	2,014
Downloads – Quality and compliance display templates	974

Source: VECRA website analytics and public reporting, 1 January to 30 June 2026.

TRANSPARENCY

Rapid Child Safety Review

VECRA's increased publication of compliance and enforcement information responds to Recommendation 17.4 of the Rapid Child Safety Review, which calls for more regular publication of regulatory action to improve transparency for families and the community.

2.7 Regulatory partnerships

Working across regulatory and jurisdictional boundaries

Effective regulation of the ECEC sector relies on strong collaboration and timely information sharing across regulatory boundaries. VECRA works with national, state and territory regulatory authorities, law enforcement agencies and other government bodies to identify and respond to risks, strengthen regulatory practice and support the effective implementation of the NQF.

Strong information sharing between regulators is particularly important where risks relate to individuals or providers operating across organisational or jurisdictional boundaries. VECRA's partnerships support earlier identification of those risks and coordinated regulatory action.

At the national level, VECRA works with ACECQA and regulatory authorities in other states and territories on the administration of the NQF, regulatory policy and emerging child-safety issues. National reforms introduced during 2026 have further strengthened information sharing between regulatory authorities, including through the National Early Childhood Worker Register.

VECRA also shares information with other regulators and agencies where this supports the safety of children or enables coordinated regulatory action. These entities include the Department of Education (Victoria), Social Services Regulator, Victorian Registration and Qualifications Authority, Victorian Institute of Teaching, Department of Health (Victoria), Victoria Police, the Australian Government Department of Education, Australian Children's Education and Care Quality Authority and other state and territory regulatory authorities.

Department of Education (Victoria)

VECRA works closely with the Department of Education where regulatory, policy and sector responsibilities intersect. This includes sharing information on emerging issues and risks, supporting the implementation of early childhood and child-safety reforms, and coordinating where changes to policy, programs or sector arrangements have regulatory implications.

VECRA operates independently of the Department of Education in exercising its regulatory functions and making regulatory decisions.

REGULATORY COLLABORATION

Coordinated child-safety compliance operation

On 5 and 6 May 2026, VECRA and the NSW Early Learning Commission conducted a coordinated 2-day compliance operation. In Victoria, more than 60 VECRA Authorised Officers made unannounced visits to more than 250 services.

The operation focused on implementation of the National Early Childhood Worker Register and reinforced child-safe recruitment and employment practices.

Social Services Regulator (Victoria)

VECRA works closely with the Social Services Regulator (SSR) on matters of shared regulatory responsibility and where organisations operate across more than one sector.

From 23 February 2026, the SSR assumed responsibility for a number of significant child-safety regulatory functions, including oversight of the Child Safe Standards for organisations without a sector-specific regulator, the Reportable Conduct Scheme and the Working with Children Check Scheme. VECRA remains the integrated sector regulator of the Child Safe Standards for early childhood services.

Where an organisation operates both an early childhood service and activities regulated by the SSR, the regulators can work together to monitor and enforce compliance with the Child Safe Standards.

VECRA and SSR proactively share information and intelligence to support child safety, regulatory activity and investigations.

Victorian Registration and Qualifications Authority (VRQA)

VECRA works with the VRQA where regulatory responsibilities intersect, including where early childhood services operate within school settings.

VECRA regulates the early childhood service's compliance with the Child Safe Standards, while the VRQA regulates schools and registered training organisations. Where an organisation operates across both regulatory systems, the agencies can work together to monitor and enforce compliance and share relevant information.

Victorian Institute of Teaching (VIT)

VECRA works with the VIT on matters involving registered early childhood teachers. The 2 bodies share information to support child safety and regulatory decisions.

VIT registration is a key safeguard for the early childhood workforce. Providers must monitor staff registration status and notify VECRA if a registration is suspended or cancelled.

Department of Health (Victoria)

VECRA works with the Department of Health (DH) where organisations operate across both early childhood and health settings or where regulatory responsibilities otherwise intersect. DH is the Child Safe Standards regulator for health services, including Maternal and Child Health services.

VECRA also works with DH on public health matters affecting early childhood services, including immunisation requirements and health and safety advice.

Victoria Police

VECRA shares information and works with Victoria Police where matters involve suspected criminal conduct or other serious risks to children.

Information obtained through VECRA's regulatory and investigative work may be shared with law enforcement, where permitted by law and necessary to support child safety.

Australian Government Department of Education

VECRA works with the Australian Government Department of Education (the Department) on matters where Commonwealth and state regulatory responsibilities intersect, including information relevant to the regulation of Child Care Subsidy-approved providers and broader national child-safety reforms.

VECRA may share information with the Department where this supports child safety and regulatory action.

Australian Children's Education and Care Quality Authority (ACECQA)

VECRA works closely with ACECQA and other state and territory regulatory authorities to support the consistent administration of the NQF. This includes collaboration on regulatory policy and practice, implementation of national reforms, information and data sharing, Authorised Officer capability and continuous quality improvement across the sector.

VECRA retains responsibility for the day-to-day regulation of approved early childhood education and care services in Victoria, while ACECQA performs national functions that support consistency across jurisdictions, including maintaining national registers and systems, publishing NQF data and guidance and supporting the development of regulatory capability.

State and territory regulatory authorities

VECRA works with regulatory authorities in other states and territories to support consistent administration of the NQF and coordinated responses where risks cross jurisdictional boundaries. This includes sharing regulatory information and practice, working together on national reforms and emerging issues and coordinating action where providers, services or individuals operate across more than one jurisdiction.

Section 3
Financial information and compliance



3.1 Current year financial review

3.1.1 Direct costs attributable to machinery-of-government changes

On 1 January 2026, the regulatory functions previously undertaken by QARD of the Department of Education transferred to VECRA. VECRA incurred $908,000 in direct costs associated with the machinery-of-government (MoG) changes during 2025–26. A further $260,000 in consultant and contractor expenditure and $1,000 in rebranding costs are anticipated during 2026–27.

Direct costs attributable to MoG changes during 2025–26

Expenditure	Cost incurred ($'000)	Anticipated future costs ($'000)
Consultants and contractors	487	260
Relocation	54	–
IT and records management	280	–
Rebranding	71	1
Other	16	–
Total	**908**	**261**

3.1.2 Discontinued operations

There were no discontinued operations in 2025–26.

3.1.3 VECRA current-year financial review

The financial results presented in this Annual Report relate to VECRA's operations only. As VECRA was established on 1 January 2026, no historical data is available.

VECRA's results for the reporting period from 1 January to 30 June 2026

Current period financial summary	2025–26 ($m)
Revenue and income from government	39.6
Total income from transactions	39.6
Total expenses from transactions	(20.0)
Net result from transactions	**19.6**
Net result for the reporting period	**19.6**
Net cash flows from operating activities	**(1.1)**
Total assets	**27.3**
Total liabilities	**6.6**
Net assets	**20.7**

Note: Revenue and income from government represents both government funding ($39 million) and rent provided free of charge ($0.3 million).

Financial performance and business review

In 2025–26, VECRA recorded a net result from transactions of $20 million for the reporting period from 1 January to 30 June 2026.

Revenue and income from transactions totalled $39.6 million, comprising government funding provided via the Department of Education to support VECRA's establishment and operations as a new independent early childhood regulator from 1 January to 30 June 2026.

Expenses from transactions totalled $20 million. The largest component was employee expenses of $16 million, reflecting salaries and wages and entitlements paid to VECRA's workforce under the Victorian Public Service Enterprise Agreement 2024. The remaining $4 million comprises operating expenses such as services, supplies and consumables.

Balance sheet

As at 30 June 2026, VECRA's net assets were $20.7 million, comprising total assets of $27.3 million and total liabilities of $6.6 million.

The majority of VECRA's assets comprised a receivable from the Department of Education that reflected VECRA's notional bank balance. The Department of Education provided payment processing services on VECRA's behalf, including receiving grant revenue and making payments for employee and other expenses on VECRA's behalf. The positive balance mainly reflects amounts owed to VECRA (via grant income) exceeding amounts paid.

Liabilities totalled $6.6 million and comprised primarily employee benefit provisions. These balances mainly reflected annual leave and long-service leave provisions from staff that transferred from the Department of Education to VECRA on 1 January under MoG changes, as a result of section 30 of the *Public Administration Act 2004*.

Cash flows

Net cash flows from operating activities for the 2025–26 reporting period showed a deficit of $1.1 million from the MoG transfer of unspent trust funds from the Department of Education to VECRA. This result reflects a classification difference, as the operating cash deficit was offset by the positive $1.1 million cash inflow reported under net cash flows from financing activities.

3.1.4 Grants and transfer payments

VECRA did not pay out any grants during the reporting period ended 30 June 2026.

3.1.5 Subsequent events

From 1 July 2026, Wendy Steendam AM, APM leads VECRA as the permanent Regulator, following the planned departure of Interim Regulator Adam Fennessy PSM on 30 June 2026.

3.2 Financial statements

These financial statements cover the Victorian Early Childhood Regulatory Authority (VECRA) as an individual entity.

VECRA is a government statutory authority of the State of Victoria.

A description of the nature of VECRA's operations and its principal activities is included in the Report of Operations.

Declaration in the financial statements

These financial statements for VECRA have been prepared in accordance with Direction 5.2 of the Standing Directions of the Minister for Finance under the *Financial Management Act 1994* (FMA) and applicable Financial Reporting Directions (FRDs), Australian Accounting Standards (AAS) including interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes presents fairly the financial transactions from 1 January to 30 June 2026 and financial position of VECRA on 30 June 2026.

At the time of signing, we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorised the attached financial statements for issue on 29 September 2026.



Wendy Steendam AM, APM
Regulator
VECRA
East Melbourne

29 September 2026



Helen Quiney
Chief Executive Officer
VECRA
East Melbourne

29 September 2026



Cora Wong
A/Chief Financial Officer
VECRA
East Melbourne

29 September 2026

Victorian Auditor-General's Report

VAGO
Victorian Auditor-General's Office

Independent Auditor's Report

To the Regulator of the Victorian Early Childhood Regulatory Authority

Opinion	I have audited the financial report of the Victorian Early Childhood Regulatory Authority (the authority) which comprises the: • balance sheet as at 30 June 2026 • comprehensive operating statement for the period 1 January 2026 to 30 June 2026 • statement of changes in equity for the period 1 January 2026 to 30 June 2026 • cash flow statement for the period 1 January 2026 to 30 June 2026 • notes to the financial statements, including material accounting policy information • declaration in the financial statements. In my opinion, the financial report presents fairly, in all material respects, the financial position of the authority as at 30 June 2026 and its financial performance and cash flows for the period 1 January 2026 to 30 June 2026 in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and Australian Accounting Standards – Simplified Disclosures.
Basis for Opinion	I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. My independence is established by the *Constitution Act 1975.* My staff and I are independent of the authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
The Regulator's responsibilities for the financial report	The Regulator of the authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Simplified Disclosures and the *Financial Management Act 1994,* and for such internal control as the Regulator determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error. In preparing the financial report, the Regulator is responsible for assessing the authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

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Victorian Auditor-General's Report (continued)

Auditor's responsibilities for the audit of the financial report	As required by the *Audit Act 1994,* my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report. As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also: • identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. • obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the authority's internal control. • evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Regulator. • conclude on the appropriateness of the Regulator's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the authority to cease to continue as a going concern. • evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation. I communicate with the Regulator regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



MELBOURNE
2 October 2026

Kevin Chan
as delegate for the Auditor-General of Victoria

2

Financial statements

Comprehensive operating statement for the period from 1 January to 30 June 2026

	Notes	Period ended 30 Jun 2026 $'000
Revenue and income from transactions		
Grants	2.2.1	39,260
Rent received free of charge	2.2.2	308
Total revenue and income from transactions		**39,568**
Expenses from transactions		
Employee expenses	3.2.1	(15,724)
Other operating expenses	3.3	(4,232)
Total expenses from transactions		**(19,956)**
Net result from transactions (net operating balance)		**19,612**
Other economic flows included in net result		
Other gains/(losses) from other economic flows	7.1	(13)
Total other economic flows included in net result		**(13)**
Net result		**19,599**
Comprehensive result		**19,599**

The above comprehensive operating statement should be read in conjunction with the accompanying notes.

Balance sheet as at 30 June 2026

	Notes	As at 30 Jun 2026 $'000
Assets		
Financial assets		
Receivables	4.1	26,948
Total financial assets		**26,948**
Non-financial assets		
Other non-financial assets	4.3	338
Total non-financial assets		**338**
Total assets		**27,286**
Liabilities		
Payables	4.2	416
Employee related provisions	3.2.2	6,177
Total liabilities		**6,593**
Net assets		**20,693**
Equity		
Accumulated surplus		19,599
Contributed capital	5.1	1,094
Net worth		**20,693**

The above balance sheet should be read in conjunction with the accompanying notes.

Statement of changes in equity for the period from 1 January to 30 June 2026

	Note	Accumulated surplus $'000	Contributed capital $'000	Total equity $'000
Balance as at 1 January 2026		–	–	–
Net result for the reporting period		19,599	–	**19,599**
Contributed capital transfers in	5.1	–	1,094	**1,094**
Balance as at 30 June 2026		**19,599**	**1,094**	**20,693**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Cash flow statement for the period from 1 January to 30 June 2026

	Notes	Period ended 30 June 2026 $'000
Cash flow from operating activities		
Receipts		
Receipts from the Department of Education		12,312
Total receipts		**12,312**
Payments		
Payments to suppliers and employees		(13,406)
Total payments		**(13,406)**
Net cash flows from/(used in) operating activities	6.1	**(1,094)**
Cash flows from investing activities		
Net cash flows from/(used in) investing activities		–
Cash flows from financing activities		
Owner contributions from activities transferred in – MoG changes	5.1	1,094
Net cash flows from/(used in) financing activities		**1,094**
Net increase/(decrease) in cash and deposits		–
Cash and deposits at the beginning of the reporting period	6.1	–
Cash and deposits at the end of the reporting period	6.1	–

The above cash flow statement should be read in conjunction with the accompanying notes.

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1.1 Reporting entity	2.1 Summary of revenue and income that funds the delivery of our services	3.1 Expenses incurred in delivery of services
1.2 Basis of preparation	2.2 Revenue and income from transactions	3.2 Employee benefits
1.3 Rounding of amounts		3.3 Other operating expenses

4. Other assets and liabilities	5. Restructure of administrative arrangements	6. Financing our operations
4.1 Receivables	5.1 Restructuring of administrative arrangements	6.1 Amounts recognised in the comprehensive operating statement
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7. Other disclosures
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7.4 Related parties
7.5 Remuneration of auditors
7.6 Subsequent events
7.7 Glossary of technical terms

1. About this report

1.1 Reporting entity

VECRA is a not-for-profit entity established as an independent public authority on 1 January 2026 under the VECRA Act. As an independent public authority, VECRA is a separate legal entity and is accountable for resources under its control.

Up to 31 December 2025, prior to MoG changes, VECRA's functions were performed by the QARD division within the Department of Education. Structurally, VECRA reflects the transformation of a Department of Education division into a new independent public authority on 1 January 2026.

The financial statements and supporting notes cover the reporting periods shown in the table below:

	Start of the period	End of the period
Statement of comprehensive income – 6 months ended	1 January 2026	30 June 2026
Balance sheet – as at 30 June 2026		30 June 2026
Statement of changes in equity – 6 months ended	1 January 2026	30 June 2026
Cash flow statement – 6 months ended	1 January 2026	30 June 2026

Its principal address is:

Victorian Early Childhood Regulatory Authority
GPO Box 4367
Melbourne VIC 3001.

A description of VECRA's operations and its principal activities is included in the Regulatory activity and performance section, which sits outside of these financial statements.

1.2 Basis of preparation

VECRA operations commenced on 1 January 2026, the date of its establishment under the VECRA Act.

Consistent with the requirements of AASB 1004 *Contributions*, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of VECRA.

These general-purpose financial statements (Tier 2) are prepared in accordance with the FMA and applicable AAS including Interpretations issued by the AASB. They are presented consistent with the requirements of AASB 1049 *Whole of Government and General Government Sector Financial Reporting* and apply AAS paragraphs applicable to not-for-profit entities, where appropriate.

The financial statements cover VECRA as an individual reporting entity and include all controlled activities. These financial statements are in Australian dollars and use the historical cost convention unless a different measurement basis is specifically disclosed in the associated notes.

The accrual basis of accounting has been applied in the preparation of these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period they relate to, regardless of when cash is received or paid.

Judgements, estimates and assumptions are made about financial information presented:

- Significant judgements applied are disclosed in Notes 2.2.2, 3.2.3 and 6.3.3.
- Estimates and associated assumptions are based on professional judgements informed by historical Department of Education data and practices relating to VECRA's operations prior to the MoG changes and various factors believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Material accounting policies applied are disclosed in the respective notes of these financial statements and ensure financial information disclosed satisfies the concepts of relevance and reliability, thereby ensuring the substance of the underlying transactions or other events are reported.

1.3 Rounding of amounts

Amounts in the financial statements are rounded to the nearest thousand (that is, $'000) unless otherwise stated. Discrepancies in tables between totals and sums of components, and/or amounts quoted in the text reflect rounding differences at account level.

2. Funding service delivery

VECRA's objectives support the Early Childhood Sector Supports and Regulation output outlined in Budget Paper No. 3. For the description of this output, see the Regulatory activity and performance section.

2.1 Summary of revenue and income that funds the delivery of our services

	Notes	Period ended 30 Jun 2026 $'000
Revenue and income from transactions		
Grants	2.2.1	39,260
Rent received free of charge	2.2.2	308
Total revenue and income from transactions		**39,568**

2.2 Revenue and income from transactions

2.2.1 Grants recognised under AASB 1058

VECRA deemed that income in the table below was recognised under AASB 1058 *Income of Not-for-Profit Entities* on the basis that it had been earned under arrangements that were either not enforceable or linked to sufficiently specific performance obligations.

Income from grants without any sufficiently specific performance obligations or that are not enforceable is recognised when VECRA has an unconditional right to receive cash.

Related amounts may take the form of:

- contributions by owners, in accordance with AASB 1004 *Contributions*
- a financial instrument, in accordance with AASB 9 *Financial Instruments*
- a provision, in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

	Period ended 30 Jun 2026 $'000
Income recognised as income of not-for-profit entities	
Specific purpose without any sufficiently specific performance obligations	39,260
Total grants	**39,260**

2.2.2 Rent received free of charge

VECRA received free rental income from the Department of Government Services (DGS) and the Department of Education across 10 sites, comprising its central CBD office in East Melbourne and 9 regional sites (see table below).

Of the 10 sites, 8 sites are managed by DGS under Centralised Accommodation Management (CAM) arrangements, a Victorian Government initiative that manages office spaces, leases and property services for public service departments. Two sites are owned and managed by the Department of Education. All 10 offices are used by VECRA's staff.

Assumptions used to calculate the free rent are outlined below.

Arrangement	Offices included		Significant unobservable inputs
CAM sites	• East Melbourne • Ballarat • Benalla • Bendigo	• Belmont • Dandenong • Footscray • Glen Waverley	• Number of desks occupied at 3m² per desk • Average 2024–25 CAM cost per m² • 2025–26 indexation
The Department of Education owned sites	• Coburg • Moe		• Number of desks occupied at 3m² per desk • Valuer-General Victoria's assessment of Coburg market rental cost per m²

Corresponding expenditure is reflected in the comprehensive operating statement within accommodation expenses, together with other accommodation incidentals, such as relocation costs and signage (Note 3.3).

3. Costs of service delivery

3.1 Expenses incurred in delivery of services

	Notes	Period ended 30 Jun 2026 $'000
Expenses from transactions		
Employee expenses	3.2.1	15,724
Other operating expenses	3.3	4,232
Total expenses incurred in delivery of services		**19,956**

3.2 Employee benefits

3.2.1 Employee expenses in the comprehensive operating statement

	Period ended 30 Jun 2026 $'000
Employee expenses	
Salaries and wages	12,421
Annual leave and long-service leave	1,845
Defined contribution superannuation expense	1,454
Defined benefit superannuation expense	4
Total employee expenses	**15,724**

Employee expenses included all costs related to employment, such as salaries and wages, superannuation, fringe benefits and payroll taxes, leave entitlements, termination payments and WorkCover premiums.

The amount recognised in the comprehensive operating statement for superannuation reflected the employer contributions for members of both defined-benefit and defined-contribution superannuation plans paid or payable during the reporting period. VECRA does not recognise any defined-benefit liabilities, because it has no legal or constructive obligation to pay future benefits relating to its employees. Instead, the Department of Treasury and Finance discloses in its annual financial statements the net defined-benefit cost related to the members of these plans as an administered liability (on behalf of the state as the sponsoring employer).

3.2.2 Employee related provisions

Provisions were made for benefits accrued to employees for annual leave and long-service leave for services delivered up to and including 30 June, not including on-costs, and recorded as an expense during the reporting period in which services were delivered.

Employee related provisions – in the balance sheet

	As at 30 Jun 2026 $'000
Current provisions	
Annual leave	1,874
Long-service leave	2,744
On-costs	1,032
Total current provisions for employee benefits	**5,650**
Non-current provisions	
Employee benefits	431
On-costs	96
Total non-current provisions for employee benefits	**527**
Total provisions for employee benefits	**6,177**

Annual leave and sick leave

Annual leave liability and associated on-costs are reported as a current employee benefit provision, as VECRA does not have an unconditional right to defer settlement of these liabilities.

Liabilities are measured at present value, as VECRA does not expect to wholly settle them within 12 months.

No provision is made for sick leave. Sick leave is deemed non-vesting, and it is not probable that the average sick leave taken in the future will be greater than the future benefits accrued. Therefore, sick leave is recognised as an expense in the comprehensive operating statement when taken.

Long-service leave (LSL)

LSL type:	Reported as:	Justification:	Measurement:
Unconditional	Current liability even where VECRA does not expect to settle within 12 months.	VECRA does not have an unconditional right to defer settlement of the entitlement should an employee take leave within 12 months.	• Undiscounted value where VECRA expects to wholly settle within 12 months. • Present value where VECRA does not expect to wholly settle within 12 months.
Conditional	Non-current liability	There is a conditional right to defer settlement of the entitlement until the employee has completed the requisite years of service.	Present value

On-costs related to employee expenses

On-costs (such as payroll tax, workers' compensation and superannuation) are not employee benefits. On-costs are disclosed separately as 'provision for employee benefits: on-costs'. Measurement relates to the employee benefit provisions and is recorded at present value where VECRA does not expect to wholly settle within 12 months.

3.2.3 Significant judgements or estimates

VECRA applies a utilisation rate based on the Department of Education's historical rates to spread the expected settlement of this liability across several years. This is then adjusted using a wage indexation rate before the liability is discounted to present value using bond interest rates provided by the Department of Treasury and Finance in accordance with FRD 17 *Wage inflation and discount rates for employee benefits*.

Any gain or loss following revaluation of the present value of LSL liability measured at present value is recognised as an 'operating' transaction, except when a gain or loss arises due to changes in bond interest rates, which is reported as an 'other economic flow' in the net result (Note 7.1).

3.3 Other operating expenses

	Note	Period ended 30 Jun 2026 $'000
Purchase of services and supplies (including remuneration of auditors)	7.5	2,152
Professional services – contractors and consultants		1,107
IT-related costs		611
Accommodation		362
Total other operating expenses		**4,232**

Other operating expenses represent day-to-day running costs incurred in normal operations. They include supplies and services, which are recognised as an expense in the reporting period in which they were incurred. Accommodation includes free office rental (Note 2.2.2), relocation and signage costs.

4. Other assets and liabilities

4.1 Receivables

	As at 30 Jun 2026 $'000
Contractual	
Receivables from the Department of Education	26,948
Total contractual receivables	**26,948**
Made up of:	
Current receivables	26,948
Non-current receivables	–
Total receivables	**26,948**

Contractual receivables are classified as financial instruments at amortised cost and reflect funding owed by the Department of Education. This amount represents VECRA's notional bank balance, with the balance held by the Department of Education rather than in a VECRA bank account. As VECRA did not hold its own bank account during the reporting period, the Department of Education provided payment-processing services on VECRA's behalf, including receiving grant income and making payments for employees and other expenses. The positive balance reflects amounts owed to VECRA exceeding amounts paid on its behalf.

The receivable from the Department of Education is expected to be fully collectable within 30 days and is not considered to be subject to impairment. VECRA is an entity within the Department of Education's portfolio of controlled entities and the Department of Education, as VECRA's portfolio department, has responsibility for supporting VECRA's ongoing financial viability, including providing letters of comfort where required. As the Department of Education's solvency is supported by the State of Victoria, no expected credit loss has been applied to amounts owed by the Department of Education.

4.2 Payables

	As at 30 Jun 2026 $'000
Contractual	
Salaries, wages and on-costs	248
Operating expenditure	159
Total contractual payables	**407**
Statutory	
FBT payable	9
Total statutory payables	**9**
Made up of:	
Current payables	416
Non-current payables	–
Total payables	**416**

Payables comprise:

- **contractual payables** are classified as financial instruments and measured at amortised cost. Payables represent liabilities for goods and services provided to VECRA prior to the end of the reporting period, remaining unpaid.
- **statutory payables** reflect fringe benefits tax (FBT). As FBT does not arise from contracts, it is excluded from the category of financial instruments and is not measured at amortised cost.

Payables for creditors and accruals have an average credit period of less than 30 days.

4.2.1 Ageing analysis of contractual payables

			Maturity dates				
2026 $'000	Carrying amount	Nominal amount	Less than 1 month	1–3 months	3 months –1 year	1–5 years	>5 years
Payables	407	407	354	–	53	–	–
Total	**407**	**407**	**354**	**–**	**53**	–	–

4.3 Other non-financial assets

	As at 30 Jun 2026 $'000
Prepayments	338
Total other non-financial assets	**338**

Other non-financial assets include prepayments, which represent payments in advance of the receipt of goods and services, or the payments covering a term extending beyond the reporting period.

5. Restructure of administrative arrangements

5.1 Restructuring of administrative arrangements

On 2 July 2025, the Victorian Government commissioned an independent Rapid Child Safety Review in response to sexual abuse in ECEC settings. The report was provided to the Victorian Government on 15 August 2025 with all 22 recommendations accepted, including the establishment of a new independent Early Childhood Education and Care Regulator.

On 1 January 2026, VECRA commenced operations as a new independent early childhood regulator and was legally established under the VECRA Act passed on 25 November 2025.

Net assets assumed by VECRA for the Early Childhood Sector Supports and Regulation output from the administrative restructure are recognised at the carrying amount of those assets in the transferor's (the Department of Education's) balance sheet immediately before the transfer.

These net asset transfers were treated as a contribution of capital by the State and represent unspent inter-departmental trust funds as at 31 December 2025. No income has been recognised by VECRA for the net assets transferred from the Department of Education.

Early Childhood Sector Supports and Regulation output

2026	The Department of Education (Jul–Dec 2025) $'000	VECRA (Jan–Jun 2026) $'000
Controlled income and expenses		
Income	13,174	39,568
Expenses	(13,174)	(19,956)

Restructure of administrative arrangements transferred on 1 January 2026

Transfer in: Output – Early Childhood Sector Supports and Regulation	As at 1 Jan 2026 $'000
Assets	
Other non-financial assets	6,644
Liabilities	
Payables	(15)
Employee benefits	(5,535)
Net assets recognised	**1,094**

6. Financing our operations

6.1 Amounts recognised in the comprehensive operating statement

VECRA does not have its own bank account and continues to use the Department of Education's bank account for general expenses and transactions.

	Period ended 30 Jun 2026 $'000
Net result for the reporting period	**19,599**
Non-cash movements in assets and liabilities	
Decrease/(increase) in current receivables	(26,948)
Decrease/(increase) in other non-financial assets	(338)
Increase/(decrease) in current payables	416
Increase/(decrease) in current employee entitlements	5,650
Increase/(decrease) in non-current employee entitlements	527
Net cash flows from/(used in) operating activities	**(1,094)**

6.2 Commitments to future expenditure

Commitments for future expenditure include operating commitments arising from contracts. These commitments are recorded at their nominal value (including GST). Where it is considered appropriate and it provides relevant information to users, the net present values of significant individual projects are stated. These future expenditures cease to be disclosed as commitments once their related liabilities are recognised in the balance sheet.

No commitments were reported as at 30 June 2026.

6.3 Contingent assets and liabilities

6.3.1 Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

These are classified as either quantifiable, where the potential economic benefit is known, or non-quantifiable.

No contingent assets were reported as at 30 June 2026.

6.3.2 Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity
- present obligations that arise from past events but are not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations; or the amount of the obligations cannot be measured with sufficient reliability.

Contingent liabilities are also classified as either quantifiable or non-quantifiable.

Quantifiable contingent liabilities

	As at 30 Jun 2026 $'000
Claims for damages	76
Total quantifiable contingent liabilities	**76**

6.3.3 Significant judgements or estimates

Management assesses the amount based on the likelihood of potential legal outcomes, using best available information and legal advice.

Non-quantifiable contingent liabilities

Public service employees: If an agency employee is named as a defendant in a civil proceeding (for example, personal injury, discrimination or employment claim), any costs and damages will generally be paid by VECRA, provided the employee was not under the influence of illicit drugs or alcohol, or engaging in a criminal offence, and the behaviour was not outrageous and was related to their employment.

7. Other disclosures

7.1 Other economic flows included in net result

Other economic flows reflect changes in LSL provisions (Note 3.2.2) from movements in discount rates.

7.2 Responsible persons

In line with the Ministerial Directions issued by the Minister for Finance under the FMA, the following disclosures are made for responsible persons during the reporting period.

Persons who held the positions of Minister and Accountable Officer in VECRA were:

Position	Name	Occupancy period
Minister for Children	Hon Lizzie Blandthorn MP	1 January – 30 June 2026
A/Minister for Children	Hon Harriet Shing MP	1 – 4 January 2026
	Hon Ros Spence MP	5 – 8 January 2026
	Hon Natalie Suleyman MP	9 – 11 January 2026
	Hon Melissa Horne MP	29 – 30 June 2026
Interim Regulator (Accountable Officer)	Adam Fennessy PSM	1 January – 30 June 2026

Remuneration

Remuneration received or receivable by the Accountable Officer in connection with the management of VECRA during the reporting period was in the range of $290,000–$300,000 from January to June 2026.

7.3 Remuneration of executives

The number of senior executive service members (excluding the Minister) and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalents provide a measure of full-time equivalent executive officers over the January to June 2026 reporting period.

Remuneration comprises employee benefits (as defined in AASB 119 *Employee Benefits*) in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered. Accordingly, remuneration is determined on an accrual basis.

Remuneration is expected to increase during the next financial year as the following table reflects 6 months of operations as well as the filling of some vacant positions. By comparison, 2026–27 remuneration will include a greater proportion of filled positions across one full year of operations.

Remuneration of executive officers

	Period ended 30 Jun 2026
Total remuneration (inc. key management personnel in Note 7.4) ($'000)	**549**
Total number of executives	**5**
Total annualised employee equivalents	**3.8**

7.4 Related parties

VECRA is a wholly owned and controlled entity of the State of Victoria. Related parties of VECRA include:

- all key management personnel and their close family members and personal business interests (controlled entities, joint ventures and entities they have significant influence over)
- all Cabinet Ministers and their close family members
- all departments and public sector entities that are controlled and consolidated into the whole of state consolidated financial statements.

VECRA received funding from, and made payments to, Victorian government related entities of $46.2 million to fund operations and $453k, respectively.

The collective amount received from the government comprises funding/benefits to support VECRA upon its establishment via restructuring of administrative arrangements (Note 5.1), and its operations such as free office rent (Note 2.2.2). Payments mainly covered establishment activities such as IT and accommodation. Aside from the above amounts, VECRA had no individually significant transactions with government during the financial period.

Key management personnel (KMP) of VECRA include the Portfolio Minister, the Hon Lizzie Blandthorn MP, the Interim Regulator (Accountable Officer), Adam Fennessy PSM, and members of the Senior Executive Team, which includes:

- Chief Executive Officer, Helen Quiney
- Chief Operating Officer, Jason Skiba.

The compensation below excludes salaries and benefits the Portfolio Minister receives. The Minister's remuneration and allowances are set by the *Parliamentary Salaries and Superannuation Act 1968* and reported in the State's Annual Financial Report.

KMPs compensation

	Period ended 30 Jun 2026 $'000
Compensation of KMPs	604
Total	**604**

7.5 Remuneration of auditors

	Period ended 30 Jun 2026 $'000
Audit of the financial statements – Victorian Auditor-General's Office	53
Total remuneration of auditors	**53**

7.6 Subsequent events

From 1 July 2026, Wendy Steendam AM, APM heads VECRA as the permanent Regulator, following the planned departure of Interim Regulator, Adam Fennessy PSM on 30 June 2026.

No matters or circumstances have arisen since the end of the reporting period that significantly affected or may affect the operations of the agency, the results of the operations or the state of affairs of the agency in regard to future reporting periods.

7.7 Glossary of technical terms

The following is a summary of the major technical terms used in this report.

Commitments

Operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources.

Comprehensive result

The amount included in the operating statement representing total change in equity, other than transactions with owners as owners.

Employee benefits expenses

All costs related to employment, including wages and salaries, FBT, leave entitlements, redundancy payments, defined-benefit superannuation plans and defined-contribution superannuation plans.

Equity

Assets less liabilities – an economic measure of wealth.

Financial asset

Any asset that is:

- cash
- an equity instrument of another entity
- a contractual right:
  - to receive cash or another financial asset from another entity
  - to exchange financial assets or financial liabilities with another entity, under conditions that are potentially favourable to the entity
- a contract that will or may be settled in the entity's own equity instruments and that is:
  - a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments
  - a derivative that will or may be settled, other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Financial liability

Any liability that is:

- a contractual obligation:
  - to deliver cash or another financial asset to another entity or
  - to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity
- a contract that will or may be settled in the entity's own equity instruments and that is:
  - a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments or
  - a derivative that will or may be settled, other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose, the entity's own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments.

Financial Reporting Directions (FRDs)

Mandatory guidelines applicable to all entities defined as either a public body or a department under section 3 of the FMA, unless otherwise stated. FRDs aim to ensure standardised and consistent application of accounting treatment across the Victorian public sector and impose other government non-financial policy and disclosure requirements.

Financial statements

A complete set of financial statements that comprises:

- a balance sheet as at the end of the reporting period
- a comprehensive operating statement for the reporting period
- a statement of changes in equity for the reporting period
- a statement of cash flows for the reporting period
- notes, comprising a summary of significant accounting policies and other explanatory information
- comparative information in respect of the preceding reporting period, as specified in paragraph 38 of AASB 101 *Presentation of Financial Statements*
- a statement of financial position as at the beginning of the preceding reporting period, when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements, in accordance with paragraph 41 of AASB 101.

Net result

A measure of financial performance of the operations for the reporting period. It is the net result of items of income, gains and expenses (including losses) recognised for the reporting period, excluding those that are classified as other 'economic flows – other comprehensive income'.

Net result from transactions/net operating balance

A key fiscal aggregate: income from transactions, minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in equity that is due to transactions and can be attributed directly to government policies.

Non-financial assets

All assets that are not financial assets. These include prepayments, land, buildings, plant and equipment, heritage buildings and intangible assets.

Operating result

A measure of financial performance of the operations for the reporting period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the reporting period, excluding those that are classified as 'other non-owner movements in equity'. See also 'Net result' in this glossary.

Other economic flows included in net result

Changes in the volume or value of an asset or liability that do not result from transactions.

In simple terms, other economic flows are changes arising from market remeasurements. They include gains and losses from disposals, revaluations and impairments of non-current physical and intangible assets, and fair value changes of financial instruments.

Other economic flows – other comprehensive income

Items (including reclassification adjustments) that are not recognised in net results, as required or permitted by other AAS. They include changes in physical asset revaluation surplus.

Payables

Includes short-term and long-term trade debt and accounts payable, grants, taxes and interest payable.

Receivables

Includes amounts owing from government through government funding, short-term and long-term trade credit and accounts receivable, grants, taxes and interest receivable.

Services and supplies

The cost of goods sold and the day-to-day running costs, including maintenance costs, incurred in the normal operations of the entity.

Transactions

Economic flows that arise from policy decisions, usually an interaction between 2 entities by mutual agreement. They also include flows in an entity such as depreciation, where the owner simultaneously acts as both the owner of the depreciating asset and consumer of the service provided by the asset. Taxation is regarded as mutually agreed interactions between the government and taxpayers. Transactions can be in-kind (for example, assets provided/given free of charge or for nominal consideration) or where the final consideration is cash. In simple terms, transactions arise from the policy decisions of government.



Section 4
Our organisation

4.1 Minister and executive leadership

VECRA's Minister

Powers and duties

As at 30 June 2026, the Hon Lizzie Blandthorn MP was the Minister responsible for VECRA, as Minister for Children and Minister for Disability. The Victorian Government's website Victorian Legislation details legislation administered by VECRA's minister. This legislation sets out VECRA's (and its portfolio ministers') powers and duties.

Minister for Children and Minister for Disability

The Hon Lizzie Blandthorn MP was appointed as the Minister for Children in October 2023. She is also the Minister for Disability.

The Minister for Children oversees Victoria's early childhood education and care system and the delivery of the Best Start, Best Life reforms, including universally funded 3-Year-Old Kinder and more hours of 4-Year-Old Kinder.

The Minister is also responsible for driving improvements to Victoria's child protection and family services systems, and the Victorian Government's focus on child development and wellbeing.

VECRA's senior executives

VECRA is led by the Regulator who reports to the Minister for Children. The Chief Executive Officer and Chief Operating Officer support the Regulator in leading VECRA's strategic and operational direction.

Early Childhood Regulator



Wendy Steendam AM, APM was appointed Early Childhood Regulator in June 2026 and commenced in the role on 1 July 2026.

Ms Steendam has more than 4 decades of public sector experience, including significant leadership roles. Most recently she served as Deputy Commissioner of Victoria Police, a position she held for 11 years.

As Early Childhood Regulator, Ms Steendam oversees the approval and regulation of more than 5,000 early childhood education and care services operating under the NQF and CSA.

Ms Steendam is also:

- a Member of the Order of Australia, awarded for her sustained service to the community
- an Australian Police Medal recipient for her leadership across public safety and enforcement
- on the Victorian Honour Roll of Women for her work protecting vulnerable communities.

Ms Steendam took over from the Interim Early Childhood Regulator, Adam Fennessy PSM.

Interim Early Childhood Regulator



Adam Fennessy PSM commenced as the Interim Early Childhood Regulator on 1 January 2026, overseeing the initial stages of VECRA's establishment and operations.

Mr Fennessy has over 25 years of public sector experience at state and federal levels and brought a wealth of experience to this important role. He has led significant systemic change, governance, and performance improvement across multiple government departments, regulatory functions and public administration bodies.

As planned, Mr Fennessy's appointment ended on 30 June 2026.

Chief Executive Officer



Helen Quiney was appointed as the inaugural Chief Executive Officer of VECRA, commencing 1 January 2026. Ms Quiney led the transition from QARD to VECRA and oversaw significant reform to VECRA's regulatory operations as well as the implementation of the child-safety reforms in Victoria.

A lawyer by training, Ms Quiney is a highly skilled leader who has held executive roles across Victorian Government, including in employee safety, wellbeing and inclusion. Most recently she was Executive Director of QARD at the Department of Education. She has experience in a number of leadership roles on several not-for-profit boards.

Ms Quiney has extensive experience in strengthening regulatory compliance, including under the National Law. She is committed to working with the early childhood sector and families to better protect children's safety and wellbeing and ensure the highest quality of services across Victoria.

Chief Operating Officer

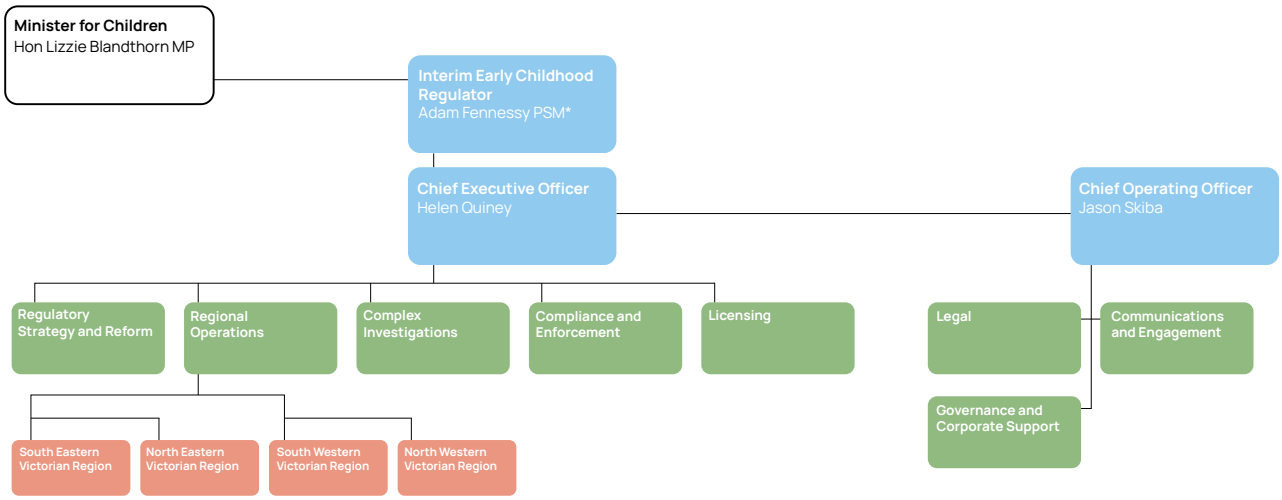


Jason Skiba was appointed the inaugural Chief Operating Officer (COO) at VECRA in April 2026, following 4 months as Interim Director, Governance and Corporate Support, where he supported the establishment of VECRA as Victoria's new early childhood regulatory authority.

As a senior public sector leader, Mr Skiba has extensive experience across government administration, corporate services and human resources. He brings whole-of-government and operational expertise, with significant experience working with and leading cross-functional teams to deliver strategic and operational outcomes.

4.2 Organisational structure

VECRA organisational structure as at 30 June 2026



* Adam Fennessy PSM was the Interim Early Childhood Regulator from 1 January to 30 June 2026. Wendy Steendam AM, APM commenced as the ongoing Early Childhood Regulator on 1 July 2026.

Occupational health and safety

VECRA's occupational health and safety (OHS) objectives are to:

- prevent injury or illness from occurring in the workplace
- maintain the health and wellbeing of all staff
- comply with all statutory requirements of Acts and Regulations, codes of practice and standards.

Through a Memorandum of Understanding (MOU), VECRA operates within the Department of Education's OHS management system and uses the Department of Education's OHS policies, procedures and reporting arrangements. VECRA will continue to develop its own OHS arrangements as the organisation matures.

See the Department of Education's 2025–26 Annual Report for performance against OHS management measures.

Employment and conduct principles

VECRA is committed to applying merit and equity principles when appointing staff. The selection processes ensure applicants are assessed and evaluated fairly and equitably on the basis of the key selection criteria and other accountabilities without discrimination.

Public sector values and employment principles

The Victorian Public Sector Commission (VPSC)'s role is to strengthen public sector efficiency, effectiveness and capability, and advocate for public sector professionalism and integrity.

VECRA adopted the Victorian Public Sector values in their entirety, along with the Department of Education's employment policies and practices, which are consistent with the VPSC employment standards. These support fair treatment, career opportunities and the early resolution of workplace issues. They also provide guidance to employees on managing conflicts of interest, responding to offers of gifts, benefits and hospitality, and dealing with misconduct.

4.3 Workforce and other disclosures

The following table discloses the headcount and full-time equivalent (FTE) of all active public service employees of VECRA, employed in the last full pay period in June 2026.

Details of employment levels in June 2026[a]

		All employees		Ongoing			Fixed term and casual	
		Number (headcount)[b]	FTE	Full-time (headcount)	Part-time (headcount)	FTE	Number (headcount)	FTE
Demographic data	**Gender**							
	Women	174	168.0	138	23	155.0	13	13.0
	Men	29	28.9	24	–	24.0	5	4.9
	Self-described	1	1.0	1	–	1.0	–	–
	Age[c]							
	15–24	–	–	–	–	–	–	–
	25–34	29	28.3	24	2	25.4	3	2.9
	35–44	68	65.2	51	10	58.2	7	7.0
	45–54	63	61.2	52	6	56.2	5	5.0
	55–64	40	39.4	33	4	36.4	3	3.0
	65+	4	3.8	3	1	3.8	–	–
Classification data	**VPS 1–6 grades[d]**	**196**	**190.1**	**157**	**22**	**173.2**	**17**	**16.9**
	VPS 1	–	–	–	–	–	–	–
	VPS 2	2	1.6	1	1	1.6	–	–
	VPS 3	15	14.7	12	2	13.7	1	1.0
	VPS 4	79	75.8	58	11	65.8	10	10.0
	VPS 5	65	63.6	53	6	57.7	6	5.9
	VPS 6	35	34.4	33	2	34.4	–	–
	Senior employees	**8**	**7.8**	**6**	**1**	**6.8**	**1**	**1.0**
	STS[d]	4	4.0	3	–	3.0	1	1.0
	SES[e]	4	3.8	3	1	3.8	–	–
	Total employees	**204**	**197.9**	**163**	**23**	**180.0**	**18**	**17.9**

Notes:
(a) Employees have been correctly classified in workforce data collections.
(b) 'Headcount' refers to the number of people employed where each person counts as an employee regardless of the number of hours engaged to work.
(c) Age of staff is calculated as at 30 June of each year.
(d) Senior Technical Specialists (STS); Victorian Public Service (VPS) Pay Scale.
(e) Senior Executive Service (SES) includes SES 1–3.

The following table discloses the annualised total salary for senior employees of VECRA, categorised by classification. The salary amount is reported as the full-time annualised salary.

Annualised total salary, by $20 000 bands, for executives and other senior non-executive staff[a]

Income band (salary)	Executives[b] [c]	STS[d]
< $160 000		
$160 000 – $179 999		
$180 000 – $199 999	1	
$200 000 – $219 999		2
$220 000 – $239 999		1
$240 000 – $259 999		
$260 000 – $279 999	1	1
$280 000 – $299 999		
$300 000 – $319 999		
$320 000 – $339 999		
$340 000 – $359 999	1	
$360 000 – $379 999	1	
$380 000 – $399 999		
$400 000 – $419 999		
$420 000 – $439 999		
$440 000 – $459 999		
$460 000 – $479 999		
$480 000 – $499 999		
Total	**4**	**4**

Notes:
(a) The Regulator (as a statutory office-holder appointed by the Governor in Council) is not included in this table.
(b) The category Executives includes SES 1–3. Executive salaries are Total Remuneration Packages, which are inclusive of superannuation.
(c) One SES employee was employed on a part-time basis at a contracted time fraction of 0.8 FTE.
(d) The category STS includes STS employees in executive positions. Salaries are not inclusive of superannuation, as per standard VPS classifications.

Workforce inclusion policy

VECRA provides an inclusive working environment that values equal opportunity and diversity and reflects the communities we serve. Consistent with the *Gender Equality Act 2020*, VECRA meets the target of at least 50% women in its executive workforce.

Executive Gender Profile (SES only)

	All	Women	Men	Self-described
	Number	Number	Number	Number
SES–3	–	–	–	–
SES–2	2	1	1	–
SES–1	2	2	–	–
Total	**4**	**3**	**1**	**–**

VECRA values staff with non-binary gender identities at all levels from VPS officers through to the executives. VECRA acknowledges that due to historic and current barriers to disclosure of non-binary gender identities, staff may not choose to disclose this information. As a result, targets or quotas are not currently a useful way to promote opportunities for gender diverse staff at all levels.

Section 5
Appendices and disclosures

Statutory, governance, and other annual reporting disclosures

Appendix 1: Other disclosures

This Annual Report of VECRA is prepared in accordance with all relevant Victorian legislation and pronouncements. The following index has been prepared to facilitate identification of VECRA's compliance with statutory disclosure requirements.

Legislation	Requirement	Page reference
Standing Directions and Financial Reporting Directions (FRDs)		
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Notes:
(a) References to FRDs have been removed from the Disclosure Index if the specific FRDs do not contain requirements that are in the nature of disclosure.
(b) See the Financial information and compliance section for further details.

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Other legislation governing VECRA

VECRA is established, operates and performs functions under a number of other legislative frameworks including:

Victorian Early Childhood Regulatory Authority Act 2025

Children's Services Act 1996

Child Wellbeing and Safety Act 2005

Children, Youth and Families Act 2005

Freedom of Information Act 1982 (Cth)

Public Administration Act 2004

Local Jobs First

The *Local Jobs First Act 2003* (the Act) establishes the Local Jobs First scheme which is set out in the Act, the regulations and the Local Jobs First Policy. The Local Jobs First Policy comprises the Victorian Industry Participation Policy (VIPP) and Major Project Skills Guarantee (MPSG).

Departments and public bodies must apply Local Jobs First as required to regional projects worth more than $1 million, statewide or metro Melbourne projects worth at least $3 million, or other projects with a lower budget declared by the Minister as a standard or strategic project.

The Major Project Skills Guarantee applies to all construction projects valued at $20 million or more.

VECRA did not engage in any applicable tenders or projects which met the required thresholds for the application of the Local Jobs First Policy during the reporting period.

Government advertising expenditure

VECRA had no advertising campaigns with a total media spend of $100,000 or greater (exclusive of GST) in the reporting period ended 30 June 2026.

Consultancy expenditure

Details of consultancies valued at $10,000 or greater

In 2025–26, VECRA recorded 3 consultancies whose total fees were $10,000 or greater. These consultancies incurred a total expenditure of $614,449 (excluding GST) and are detailed in the table below.

Consultancy expenditure 2025–26

Consultant	Purpose of consultancy	Start date	End date	Total approved project fee ($ excl. GST)	Expenditure 2025–26 ($ excl. GST)	Future expenditure ($ excl. GST)
KPMG	To support and enable VECRA's transition to an independent statutory authority from the Department of Education, including options and a recommended approach for design issues required for a Cabinet submission, and cost estimates for a budget submission.	4/07/2025	19/12/2025	415,049	415,049	–
Aeon Advisory Pty Ltd	Oversee the undertaking and delivery of a Capability Review of the ECEC Regulator, as recommended by the 2025 Rapid Child Safety Review.	2/03/2026	15/09/2026	205,200	144,000	61,200
Right Lane Consulting Pty Ltd	Provide structured external support to confirm current approved positions, refine branch structures, align functions to available resources, and develop a defensible interim operating model.	16/02/2026	16/03/2026	55,400	55,400	–

Note: The KPMG contract was held by the Department of Education and concluded before VECRA commenced operations on 1 January 2026. The expenditure reported above relates to expenditure recognised by VECRA from 1 January 2026 in relation to that contract. Expenditure relating to the period from 1 July to 31 December 2025 is reported separately in the Department of Education's 2025–26 Annual Report.

Details of consultancies valued at less than $10,000

In 2025–26, there were no consultancies engaged during the reporting period where the total fees payable to the individual consultant were less than $10,000.

Reviews and studies expenditure

In 2025–26, VECRA incurred $587,362 in expenditure on one review/study. Details of the review and study are outlined below.

Reviews and studies expenditure 2025–26

Name of the review (portfolio(s) and output(s)	Reasons for review/study	Terms of reference/ scope	Timeline	Anticipated outcomes	Actual cost for 2025–26 ($) (excl. GST)	Final total actual cost if completed ($) (excl. GST)	Publicly available (Y/N) and URL. If no, why
Capability Review Minister for Children – Output: Early Childhood Sector Supports and Regulation	To undertake a Capability Review of the ECEC Regulator, as recommended by the 2025 Rapid Child Safety Review, to ensure the Regulator has the capabilities needed to respond effectively to a changing regulatory environment.	To assess the ECEC Regulator's capability, systems and processes, including risk assessment frameworks, tools, workforce capability, regulatory approaches, use of evidence and technology and readiness to implement emerging regulatory requirements.	Duration: March 2026 – September 2026	Strengthen the ECEC Regulator's capability, including improved risk assessment approaches, enhanced Authorised Officer consistency and training, stronger oversight of complex provider arrangements, improved use of evidence and technology and enhanced regulatory effectiveness.	587,362	N/A	No – the Capability Review was commissioned to inform VECRA's internal organisational and regulatory capability development and contains internal workforce, systems and regulatory capability information.

Information and Communications Technology (ICT) expenditure

In accordance with the VPS's ICT reporting standard, VECRA had total ICT expenditure of $890,305 in 2025–26 with the details reported in the table below.

ICT expenditure 2025–26

Measure	Cost ($)
Business as usual (BAU) ICT expenditure	610,622
Total non-BAU ICT expenditure	279,683
Operational non-BAU expenditure	279,683
Capital non-BAU expenditure	–
Total ICT expenditure	**890,305**

Note: ICT expenditure refers to VECRA's costs in providing business enabling ICT services within the current reporting period. It comprises BAU ICT expenditure and non-BAU ICT expenditure. Non-BAU ICT expenditure relates to extending or enhancing VECRA's current ICT capabilities. BAU ICT expenditure is all the remaining ICT expenditure that primarily relates to ongoing activities to operate and maintain the current ICT capability.

Changes in prices, fees, charges, rates and levies

Prescribed fees applicable to early childhood education and care providers and services are outlined in the Education and Care Services National Regulations for services approved under the NQF, and the *Children's Services Regulations 2020* for services approved under the CSA.

Details of current prices, fees, charges, rates and levies administered by VECRA are available from the following sources:

- Services approved under the CSA: VECRA website – Fees and penalties.
- Services approved under the NQF: ACECQA – Indexed fees.

Further information about changes to these fees and charges is available upon request, subject to the provisions of the *Freedom of Information Act 1982* (Vic) and the *Freedom of Information Act 1982* (Cth), where applicable.

Freedom of Information and Privacy

During the reporting period, VECRA established its dedicated Freedom of Information and Privacy function, including the development of operational procedures, template correspondence, record-keeping processes and staff training materials to support compliance with applicable freedom of information and privacy legislation.

Freedom of Information (FOI)

VECRA is committed to the principles of transparency, accountability and public access to government-held information.

VECRA operates within a unique legislative environment and is subject to both the *Freedom of Information Act 1982* (Cth) and the *Freedom of Information Act 1982* (Vic) in relation to different aspects of its operations.

As the regulatory authority for Victoria under the *Education and Care Services National Law Act 2010* (Vic), VECRA performs functions under the national education and care services regulatory framework while also undertaking functions arising under Victorian legislation and administrative arrangements. Consequently, the legislative framework governing access to documents will depend on the nature of the documents requested and the capacity in which they are held by VECRA.

Generally, requests relating to VECRA's functions and records arising under the National Law framework are considered under the Commonwealth FOI regime. Requests relating to Victorian state-based functions, powers or records may be considered under the Victorian FOI regime, where applicable.

All requests are assessed in accordance with the requirements of the relevant legislation, including any applicable consultation requirements, exemptions and public interest considerations. VECRA seeks to provide access to information wherever possible, while ensuring appropriate protection of personal privacy, commercially sensitive information, confidential information and the integrity of regulatory processes.

Statistical information regarding FOI requests received and processed during the reporting period is provided below.

Making a request

Requests for access to documents held by VECRA may be made under the applicable FOI legislation. Information about making an FOI request, including applicable fees and VECRA's processes, is available on VECRA's website.

Requests may be submitted by email to: vecra.foi@education.vic.gov.au

Or by post to:

Freedom of Information Officer
Victorian Early Childhood Regulatory Authority
GPO Box 4367
Melbourne VIC 3001

General enquiries regarding FOI may be directed to VECRA's FOI Unit at: vecra.foi@education.vic.gov.au

Information Publication Scheme

VECRA is subject to the Information Publication Scheme established under Part II of the *Freedom of Information Act 1982* (Cth). Information required to be published under the Scheme is available on VECRA's website and is reviewed periodically to ensure its ongoing accuracy and currency.

Freedom of information statistics

Applications considered	Under FOI Act (Cth)	Under FOI Act (Vic)
Received	65	–
Granted in full	6	–
Granted in part	9	–
Access refused	8	–
Dealt with administratively	–	–
Withdrawn by the applicant	31	–
Transferred to another agency	–	–
On hand as at 30 June 2026	11	–
Applications for review by the National Education and Care Services FOI Commissioner	–	–
Applications for review by the relevant Administrative Tribunal	–	–

Note: From 1 January to 30 June 2026, VECRA received 65 FOI requests. This included requests formally transferred to VECRA from the Department of Education after VECRA commenced operations. Of the 65 requests received by VECRA during the reporting period, 31 were lodged directly with VECRA.

Privacy

VECRA is committed to protecting personal information and maintaining strong information governance practices. Personal information is managed in accordance with applicable legislative requirements and is collected, used, disclosed and stored only for authorised purposes.

The National Law applies the *Privacy Act 1988* (Cth) (the Privacy Act) to regulatory bodies that undertake the administration of the National Education and Care Services Quality Framework. Accordingly, personal information collected, used, disclosed or stored in connection with VECRA's regulatory functions under the National Law is managed in accordance with the Privacy Act.

The *Privacy and Data Protection Act 2014* (Vic) provides the applicable privacy framework for personal information managed by VECRA that falls outside its functions under the National Law.

During the reporting period, VECRA was not the subject of any investigations by the National Education and Care Services Privacy Commissioner.

Compliance with the *Building Act 1993*

VECRA does not own or control any government buildings and therefore has no building or maintenance activities to report under the *Building Act 1993*.

Competitive neutrality policy

VECRA complies with the National Competition Principles outlined in the Intergovernmental Agreement on National Competition Policy, as well as compliance with Victoria's Competitive Neutrality Policy (2012), and any subsequent reforms.

Compliance with the *Carers Recognition Act 2012*

VECRA supports the principles of the *Carers Recognition Act 2012*, which recognise the importance of carers and care relationships in the Victorian community.

During the reporting period, VECRA supported employees with caring responsibilities through the VPS Enterprise Agreement 2024, VPS common policies and flexible working arrangements. These included hybrid working, personal leave and individual flexible working arrangements.

Compliance with the *Disability Act 2006*

The *Disability Act 2006* reaffirms and strengthens the rights of people with a disability and recognises that this requires support across the government sector and within the community.

The Disability Act requires certain public sector bodies (including Victorian Government departments) to develop a Disability Action Plan and report on its implementation in their annual report. While VECRA is not subject to this requirement, VECRA operates within the Department of Education's corporate services infrastructure and controls through its transitional MOU with the Department of Education. As such, VECRA participates in the implementation of the Department of Education's Disability Action Plan 2023–27 and complies with related reporting requirements.

The Disability Action Plan 2023–27 acknowledges that everyone experiences disability differently, depending on their circumstances, life experiences and the nature of their needs and abilities. The action plan also recognises that the Department of Education's corporate workforce, and VECRA's workforce via the MOU, and our early childhood education, schools, training and skills systems, needs to be able to respond to people's individual needs, to support every Victorian to reach their potential.

Compliance with the *Public Interest Disclosures Act 2012*

The *Public Interest Disclosures Act 2012* (Vic) encourages the reporting of improper conduct by public officers and public bodies and provides protections against detrimental action taken in reprisal for making a disclosure.

VECRA is a public body for the purposes of the Act and is committed to maintaining a workplace where improper conduct can be reported and people who make disclosures are protected from reprisals.

Making a public interest disclosure

VECRA has published information and procedures for making and handling public interest disclosures, including arrangements for maintaining confidentiality and protecting people from detrimental action.

Information about making a public interest disclosure, including VECRA's making, handling and managing public interest disclosures procedures, is available on VECRA's website.

Disclosures concerning VECRA or its employees can also be made directly to the Independent Broad-based Anti-corruption Commission (IBAC), including through its website or by calling 1800 422 284.

Disclosure of emergency procurement

VECRA did not undertake any emergency procurement during the reporting period ended 30 June 2026.

Compliance with Victoria's Social Procurement Framework

VECRA applies Victoria's Social Procurement Framework through its procurement activities and the corporate procurement arrangements provided through its shared-services arrangements with the Department of Education.

The Department of Education's Social Procurement Strategy acknowledges existing departmental action plans for a number of social matters and seeks to align its social procurement activity with the intent and goals of those plans. The Department's Social Procurement Strategy is also applicable to VECRA and its entities.

Metrics reported in the Department's 2025–26 Annual Report include the department and the 4 entities.

During the reporting period, VECRA prioritised the following social and sustainable procurement objectives:

- opportunities for Victorian Aboriginal people
- opportunities for Victorians with disability
- women's equality and safety
- opportunities for Victorian priority jobseekers
- environmentally sustainable outputs.

From 1 January to 30 June 2026, VECRA did not engage social benefit suppliers.

Disclosure of procurement complaints

VECRA did not receive any formal procurement complaints during the reporting period.

Reporting of environmental data

VECRA is a Tier 4 reporting entity for the purposes of FRD 24 *Reporting of environmental data by government entities*.

During the reporting period, VECRA's office accommodation and fleet services were provided through its transitional MOU with the Department of Education and other central government procurement arrangements. All material environmental data relevant to VECRA's Tier 4 reporting requirements is captured through these arrangements and included in the Department of Education's environmental reporting in the 2025–26 Annual Report.

VECRA has therefore applied the Tier 4 simple-disclosure approach under FRD 24 for the reporting period.

Additional information available on request

In accordance with FRD 22 *Standard disclosures in the Report of Operations*, VECRA has retained the following information, where applicable, and will make it available on request, subject to the *Freedom of Information Act 1982* (Vic) and other applicable legislation:

- declarations of pecuniary interests completed by relevant officers
- details of shares held by a senior officer as a nominee or held beneficially in a statutory authority or subsidiary
- details of publications produced by VECRA about VECRA, and how these can be obtained
- details of changes to prices, fees, charges, rates and levies administered by VECRA
- details of major external reviews of VECRA
- details of major research and development activities undertaken by VECRA
- details of overseas visits undertaken, including a summary of the objectives and outcomes of each visit
- details of major promotional, public relations and marketing activities undertaken by VECRA to develop community awareness of the entity and its services
- details of assessments and measures undertaken to improve employee OHS
- information relating to industrial relations and time lost through industrial actions and disputes
- details of major committees established by VECRA, their purposes and the extent to which those purposes were achieved
- details of consultancies and contractors engaged by VECRA, including services provided and expenditure committed.

Information already disclosed elsewhere in this Annual Report is not duplicated in this section.

Please direct additional information requests to:

Chief Operating Officer
Victorian Early Childhood Regulatory Authority
GPO Box 4367
Melbourne VIC 3001

Email: vecra@education.vic.gov.au

Glossary and key terms

Term	Acronym	Meaning
Australian Children's Education and Care Quality Authority	ACECQA	The independent national authority that assists governments in administering the National Quality Framework (NQF) for children's education and care.
Approved provider		An entity which holds a provider approval under the NQF or the *Children's Services Act 1996* (CSA).
Approved service		An approved early childhood education and care service for which a service approval exists under the NQF. An approved children's service for which a service approval exists under the CSA.
Assessment and Rating	A&R	The process by which NQF services are assessed and rated by their regulatory authority against the National Quality Standard (NQS) and given a rating for each of the 7 quality areas and an overall rating based on these results.
Authorised Officer	AO	An officer authorised to exercise regulatory powers under the legislation administered by VECRA.
Care type classification		For reporting purposes, centre-based services are classified by the types of care they provide. Services that provide long day care (LDC) in addition to any other type of care are classified as LDC; services that provide kindergarten and outside school hours care (OSHC), but not LDC, are classified as standalone kindergarten (KGN); and services that provide only OSHC are classified as OSHC.
Centre-based service		An education and care service under the NQF other than a family day care service. This includes most LDC, preschool/standalone KGN and OSHC services that are delivered at a centre. Also refers to occasional care and limited hours service(s) under the CSA.
Complaint		In this report, 'complaint' refers to a concern about a regulated early childhood service, approved provider or person associated with a service. This includes concerns about children's safety, health or wellbeing; the behaviour or practices of staff; allegations of physical or sexual abuse; and alleged contraventions of the National Law or CSA. Complaints about VECRA or VECRA staff are managed separately through VECRA's complaints process.
Child Safe Standards	CSS	Victoria's 11 Child Safe Standards (CSS), which set minimum requirements for organisations to keep children and young people safe.
Children's service		A service regulated under the CSA for which a service approval exists.
Children's Services Act 1996	CSA	The CSA under which various types of children's services are approved. The main purpose of this Act is to regulate children's services, in a manner that is consistent, where appropriate, with the regulation of education and care services under the *Education and Care Services National Law Act 2010* (Vic).
Department of Education		The Victorian Government department responsible for education and early childhood policy and service delivery. VECRA has a Memorandum of Understanding (MOU) with the Department of Education for specified shared services and corporate support arrangements, while remaining an independent statutory authority.
Department Performance Statement	DPS	The Department Performance Statement published by the Department of Treasury and Finance with the budget describes the objectives and outputs (goods and services) that departments are funded to deliver to achieve these objectives.

Term	Acronym	Meaning
Early childhood education and care services/early childhood services	ECEC	Collective terms, used in reference to all early childhood education and care services (ECEC) under both the NQF and CSA.
Electronic direct mail	eDM	Electronic communications/emails delivering timely, relevant information to stakeholders, including approved providers and services.
Family day care	FDC	An education and care service under the NQF delivered through registered educators, usually in an educator's home.
Freedom of Information	FOI	VECRA is subject to both the *Freedom of Information Act 1982* (Cth) and the *Freedom of Information Act 1982* (Vic). Generally, requests relating to VECRA's functions and records under the National Law are considered under the Commonwealth FOI regime, while requests relating to Victorian state-based functions, powers or records may be considered under the Victorian FOI regime.
Incident notification		See Notification
Information and Communications Technology	ICT	The various tools and platforms that facilitate the exchange of information among individuals and groups. This encompasses a wide range of devices, applications and networks. Effective and accessible Information and Communications Technology (ICT) can foster inclusive digital transformation in society.
Kindergarten services	KGN	In Victoria, children can attend 2 years of funded kindergarten before starting school.
Limited hours service(s)		One of 2 types of service approval prescribed in the *Children's Services Regulations 2020*. Children's services with a limited hours service(s) approval can provide education and care to a child for up to 3 hours per day up to a maximum of 6 hours per week. They are often located in sports and leisure centres where the child's parent is a patron.
Long day care	LDC	Centre-based education and care generally provided for children from birth to school age for extended periods during the day.
Machinery-of-government	MoG	A machinery-of-government (MoG) change in Victoria is a government decision to move functions and responsibilities between public-sector entities, often after an election, and it includes managing the transfer of records and resources between departments.
Memorandum of Understanding	MOU	A written agreement between 2 or more parties that defines the working relationship, expectations and responsibilities.
National Law		The NQF operates under an applied law system, comprising the Education and Care Services National Law and the Education and Care Services National Regulations. The purpose of the applied law system is to set a national standard for children's education and care across Australia. In effect, it means the same law is applied in each state and territory, but with some varied provisions as applicable to the needs of each state or territory. Victoria is the host jurisdiction of the Education and Care Services National Law which is set out in a Schedule to the *Education and Care Services National Law Act 2010* (Vic). Application provisions in this Act apply to the National Law in Victoria. Other jurisdictions adopted the National Law through an Application Act or passed corresponding legislation.
National Quality Agenda for Early Childhood Education and Care	NQA	The overarching name given to the quality reforms to ECEC, which incorporate the National Law and National Regulations, including the NQS, the Early Years Learning Framework, and the assessment and rating system.

Term	Acronym	Meaning
National Quality Agenda IT System	NQA ITS	A web-based information system to assist state and territory regulatory authorities and Australian Children's Education and Care Quality Authority (ACECQA) to manage the approval, monitoring and quality assessment of children's education and care services. The system also enables NQF services, providers and educators to submit application and notification forms online to regulatory authorities and ACECQA.
National Quality Framework	NQF	The NQF covers services providing or intending to provide education and care on a regular basis to children under the age of 13 years. This includes family day care services, LDC services, OSHC services and preschools (standalone KGN). The NQF comprises the National Law, National Regulations and the NQS.
National Quality Standard	NQS	The NQS sets a high national benchmark for ECEC and OSHC services in Australia. The NQS includes 7 quality areas that are important outcomes for children. Services are assessed and rated by their regulatory authority against the NQS and given a rating for each of the 7 quality areas and an overall rating based on these results.
Notification		Approved providers are required to notify the regulatory authority about incidents, complaints and changes to information.
Occasional Care Services		One of 2 types of service approval prescribed in the *Children's Services Regulations 2020*. Children's services with an Occasional Care service approval can provide education and care to a child on an ad hoc, irregular basis.
Occupational health and safety	OHS	OHS refers to the health, safety and welfare of employees and other people at work. The *Occupational Health and Safety Act 2004* (OHS Act) is the main workplace health and safety law in Victoria.
Output Performance Measures	OPM	VECRA's Output Performance Measures are published in the Department Performance Statement, which describes the objectives and associated performance indicators to be achieved over the medium term.
Outside School Hours Care	OSHC	Regulated under the NQF. Not defined in the National Law or National Regulations. A service that provides care for primary-school-aged children (typically 5–12 years) before and after school and can also operate during school holidays (vacation care) and on pupil-free days. OSHC services are usually provided from primary school premises. Services may also be located in child care centres or community facilities.
Places		Places refers to the maximum number of children who can be educated and cared for by a service at any one time, as stated on the service approval. Number of places reflects services' approved capacity. Places data for FDC services is not collected.
Preschool		Not defined in the National Law or Regulations. A service that provides an early childhood education program, delivered by a qualified teacher, often but not necessarily on a sessional basis in a dedicated service. Alternative terms used for preschool in some jurisdictions include kindergarten, pre-preparatory and reception.
Provider		See Approved provider
Provider management type		The type of legal or social entity responsible for managing the delivery of an ECEC service or children's service.
Quality Improvement Plan	QIP	The approved provider of an NQF service must ensure a Quality Improvement Plan (QIP) is in place for each service. The aim of a QIP is to help providers self-assess their performance in delivering quality education and care, and to plan future improvements. The QIP also helps regulatory authorities with assessing the quality of the service.

Term	Acronym	Meaning
Quality Assessment and Regulation Division	QARD	The Quality Assessment and Regulation Division (QARD) was a division of the Department of Education that was delegated the task of regulating the Victorian ECEC sector. QARD was disbanded at the end of 2025 when the regulatory function transitioned to VECRA.
Regulatory Reference Group	RRG	The Regulatory Reference Group (RRG) is VECRA's primary invitation-only engagement forum with sector leaders and peak bodies. The RRG complements other stakeholder engagement, provides sector-wide insights to support decision-making and supports 2-way communication between VECRA and the sector.
Serious incident		Serious incidents that occur while a child is being educated and cared for by an education and care service include: the death of a child; a serious injury or trauma to a child; the serious illness of a child requiring hospital attendance; an emergency for which emergency services attended; circumstances where a child is missing or unaccounted for/is taken or removed/is mistakenly locked in or out of the service/service premises.
Service approval		A person must have service approval to operate an education and care service under the National Law or a children's service under the CSA. Regulatory authorities are responsible for assessing and determining applications for service approval.
Social Services Regulator	SSR	Victoria's independent regulator for prescribed social services and a regulator within Victoria's CSS framework.
Victorian Institute of Teaching	VIT	The statutory authority responsible for the registration of teachers in Victoria, including registered early childhood teachers.
Victorian Public Service	VPS	The Victorian Public Service (VPS) is the professional workforce employed by the State Government of Victoria under the *Public Administration Act 2004* to deliver public services, create policies and run state programs.
Victorian Registration and Qualifications Authority	VRQA	Victoria's education and training regulator for schools, training organisations and other regulated education providers.
Waiver		A waiver is an exemption from a requirement that an approved education and care service complies with a prescribed element(s) of the NQS or regulation of the National Regulations, and/or that an approved children's service complies with a prescribed regulation of the *Children's Services Regulations 2020*. While a waiver is in force, the approved service is not required to comply with the element(s) or regulation(s) specified in the waiver.

VECRA
Victorian Early Childhood Regulatory Authority

VICTORIA
State Government

Victorian Early Childhood Regulatory Authority
Annual Report 2026

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