

CHAPTER 13: QUALITY HEALTH AND EDUCATION

Key findings of the Committee:

- 13.1** Under its ten year plan, *Victoria's Plan to Improve Outcomes in Early Childhood*, launched in April 2007, the government proposes a series of actions designed to develop an integrated, high quality and accessible early childhood service system.
- 13.2** The budget papers indicate that the lower participation rate of four year olds attending kindergarten in 2006, 93 per cent compared with 94.4 per cent in 2005, occurred at a time when more children are attending long day care centres, which are increasingly less likely to take up state funding to provide a kindergarten program.
- 13.3** The government has recently announced the integration of children's and education services in Victoria with the establishment of a new portfolio of Children and Early Childhood Development and a new Department of Education and Early Childhood Development.
- 13.4** The newly created Department of Education and Early Childhood Development should formulate performance measures and targets for the 2007-08 budget initiatives dealing with kindergarten services and report annually against these measures and targets under relevant outcomes.
- 13.5** Under *The Victorian Schools Plan*, issued in November 2006 as an election policy document, the Committee noted that the government is committed to rebuild or modernise within ten years every government school in Victoria. Implementation of the first four years of the plan has been costed at an estimated \$1.9 billion, of which an initial allocation of \$555 million is provided for in the 2007-08 budget.
- 13.6** The Committee regards the accountability obligations of the government to Parliament arising from implementation of *The Victorian Schools Plan* as significant and intends to progressively monitor the adequacy of the government's annual external reporting on the plan.

13.1 Introduction

In considering the budget estimates pertaining to the *Quality Health and Education* vision of the *Growing Victoria Together* initiative, the Committee asked a total of 79 questions, which represented 11.5 per cent of all questions asked during the budget estimates hearings.

While answers provided at the estimates hearings were recorded in *Hansard* and the transcripts of evidence were contained in Appendix 1 of the *Report on the 2007-08 Budget Estimates – Part One* and the *Report on the 2007-08 Budget Estimates – Part Two*, the material received to the questions on notice and unasked questions since the Part Two report is presented in full in Appendices 4 and 5 respectively of this report. These responses are categorised according to the applicable *Growing Victoria Together* vision to which they relate.

This chapter sets out an analysis of certain issues canvassed by the Committee at the budget estimates hearings that relate to the *Quality Health and Education* vision.

13.2 Participation in kindergarten programs

13.2.1 Background

In commenting on efforts to improve the wellbeing of young children, the government identified in the 2007-08 Budget Papers, as part of its progress report on *Growing Victoria Together*, that:

*Composite measures of wellbeing outcomes (including health and education) for young children are not yet well developed at a state or national level. This year, the progress report presents a selection of indicators developed by the Office for Children which measure Victorian children's outcomes related to safety, health, development, learning and wellbeing.*¹⁷⁶

In its September 2006 *Report on the 2006-07 Budget Estimates*, the Committee referred to the work underway within the Department of Human Services to develop an outcomes framework to guide objective setting and planning across government for services supporting children. It recognised the early state of this work and stressed the importance of the department ensuring that Parliament is adequately informed about the results of the outcomes work and any subsequent modifications to the direction of programs for children.¹⁷⁷

In April 2007, the government launched its ten year plan, *Victoria's Plan to Improve Outcomes in Early Childhood*. This plan constitutes action by Victoria in response to the agreement reached at the Council of Australian Governments (COAG) that all Australian governments explore avenues for giving children the best possible start in life.¹⁷⁸ Under the plan, Victoria proposes a series of actions designed to develop an integrated, high quality and accessible early childhood service system.

On 2 May 2007, the Auditor-General presented a performance audit report to Parliament on *Giving Victorian children the best start in life*.¹⁷⁹ The audit evaluated implementation by the Department of Human Services of 3 initiatives associated with early childhood services, namely Best Start, municipal early years plans and children's centres. The Auditor-General concluded that qualitative evidence indicates that the 3 initiatives have contributed to improved access and increased participation in maternal and child health services and kindergarten services. However, there was insufficient quantitative data to confirm a direct contribution to increased participation in these services. The Auditor-General also concluded it was difficult to establish whether participation by vulnerable children and families had increased.

13.2.2 Matters relating to kindergarten programs addressed in the 2007-08 budget

The 2007-08 Budget Papers mention the importance of educational and social outcomes when measuring child wellbeing and that attendance at kindergarten by four year olds in Victoria is used as a proxy measure for these outcomes.¹⁸⁰ The rate of participation of four year olds in kindergarten, based on the number of children enrolled in state funded programs in Victoria, is shown in figure 13.1.

¹⁷⁶ Budget Paper No.3, *2007-08 Service Delivery*, Appendix B, p.367

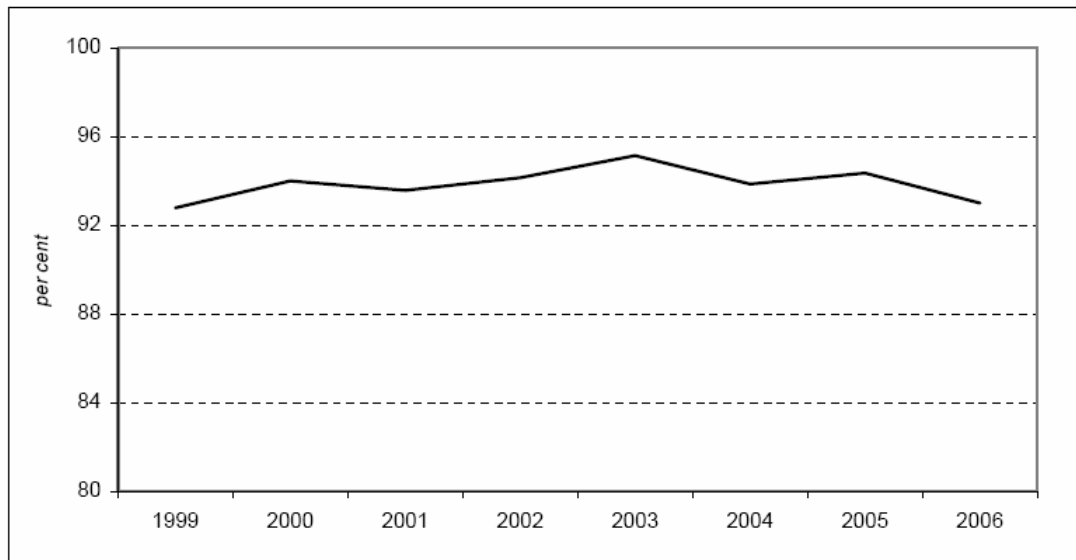
¹⁷⁷ Public Accounts and Estimates Committee, *Report on the 2006-07 Budget Estimates*, September 2006, pp.185–186

¹⁷⁸ Victorian Government, *Victoria's Plan to Improve Outcomes in Early Childhood*, April 2007

¹⁷⁹ Victorian Auditor-General's Report, *Giving Victorian children the best start in life*, May 2007

¹⁸⁰ Budget Paper No.3, *2007-08 Service Delivery*, Appendix B, p.369

Figure 13.1: Rate of four year olds participating in kindergarten in Victoria



Source: Budget Paper No.3, 2007-08 Service Delivery, Appendix B, p.369

In commenting on the above trend, the budget papers indicate that the lower participation rate of 93.0 per cent in 2006 compared with 94.4 per cent in 2005 occurs at a time when more children are attending long day care centres, which are increasingly less likely to take up state funding to provide a kindergarten program. For example, 347 long day care centres provided a state funded kindergarten program in 2006, compared with 420 centres in 2002.¹⁸¹

At the budget estimates hearing, the Minister outlined some of the challenges the government faces in relation to early childhood and how the 2007-08 budget addresses those challenges. The Minister stressed the importance of the government continuing to improve access to kindergarten and child care because it knew from the research *'that quality kindergarten programs improve a child's subsequent learning, health and behaviour, with very positive impacts being experienced later in adult life'*.¹⁸²

In line with the Minister's comments, the budget papers indicate that new policies are being adopted to encourage more long day care centres to offer kindergarten programs and to ensure that children from working families do not miss out on early childhood education programs.¹⁸³ Funding initiatives announced in the 2007-08 budget relating to kindergartens include:¹⁸⁴

- grants totalling \$35 million over four years to upgrade and better equip existing not-for-profit kindergartens and child care centres, and for children's centres where maternal and child health, child care, kindergarten and family support services can be co-located;
- provision of \$29 million over four years to increase the kindergarten fee subsidy from \$320 to \$730 a year for Health Care Card holders;
- allocation of \$10 million to encourage kindergartens to offer extended hours that are more convenient for working parents; and

¹⁸¹ *ibid.*

¹⁸² Ms L Neville MP, Minister for Children, 2007-08 Budget Estimates hearing, transcript of evidence, 14 May 2007, p.2

¹⁸³ Budget Paper No.3 2007-08 Service Delivery, Appendix B, p.369

¹⁸⁴ Budget Paper No.3 2007-08 Service Delivery, pp.15-16

13.3 Victorian Schools Plan

13.3.1 An outline of The Victorian Schools Plan

The government released *The Victorian Schools Plan* as an election policy document in November 2006. Under this plan, the government is committed to rebuild or modernise within ten years every Victorian Government school. The plan's target for the first four years is to rebuild or modernise 500 schools and TAFEs at a cost of \$1.9 billion.¹⁸⁹ The document does not quantify the estimated cost of the remaining six years of the plan.

The Committee also noted that the process for selecting schools for modernisation also requires an educational feasibility study that closely ties school physical improvements with demonstrated educational outcomes.

The 2007-08 Budget Papers state that the budget delivers the first stage of implementation of the \$1.9 billion commitment through provision of \$555 million in asset investments for schools over the four years to 2010-11.¹⁹⁰ The balance of \$1.3 billion will require provision in budgets over the next three years.

The 2007-08 asset funding for schools follows the significant levels of capital allocations for schools that were announced in the 2006-07 budget. These allocations included \$115.3 million for modernisation projects under the government's *Building Better Schools* strategy and \$50 million for construction or completion of nine new and replacement schools.¹⁹¹ The Committee anticipates that annual reporting for 2006-07 by the Department of Education and Early Childhood Development will include comprehensive information on its management of these capital funds during the year.

The 2007-08 budgetary provision of \$555 million comprises 12 individual asset initiatives which include:¹⁹²

- \$205 million for the modernisation of 83 priority schools over the next two years;
- \$93 million for the regeneration of education facilities in eight areas of the state over the next two years;
- \$50 million for new schools in Melbourne's growth areas over the next two years;
- \$50 million for building works and equipment in government secondary colleges to encourage students to take up apprenticeships and trades over the next four years;
- \$60 million for the implementation of the Ultranet, a statewide online teaching and learning ICT system, across government schools over the next four years;
- \$35 million for acquisition of land for building new and replacement schools in Melbourne's growth corridors in 2007-08; and
- \$13 million to replace relocatable buildings in six small to medium rural schools as part of a commitment to replace relocatable buildings with modern permanent facilities in 40 small to medium rural schools.

¹⁸⁹ Policy for the 2006 Victorian election, *The Victorian Schools Plan*, November 2006, p1

¹⁹⁰ Budget Paper No.3, *2007-08 Service Delivery*, p.7

¹⁹¹ *ibid.*, pp.293–294

¹⁹² *ibid.*, pp.281–283

The Victorian Schools Plan indicates that priority will be given to upgrading and rebuilding science rooms and tech wings so that students can excel in these areas so vital to the state's economic development. It also mentions that additional schools will be included in the modernisation program as their education plans are completed.¹⁹³

The budget papers state that the provision of funding for the modernisation of schools will also reduce both maintenance costs and energy consumption through improved building techniques.¹⁹⁴ In terms of maintenance of existing facilities, the Minister announced in June 2007 additional maintenance funding of \$16 million to be allocated across 724 schools for important repairs and upgrade work. The Minister stated that the funding allocation was the result of a detailed maintenance audit undertaken in 2006 which identified schools with the most urgent maintenance needs.¹⁹⁵

Several aspects relating to the asset initiatives of \$555 million outlined in the 2007-08 budget, including the rebuilding and modernisation program for schools, progress with the regeneration project involving 17 schools at Broadmeadows and action by the government to address the maintenance backlog in schools were discussed at the Committee's budget estimates hearing held on 9 May 2007.¹⁹⁶

13.3.2 Need for a strong accountability framework for the plan

The Committee considers that the size of *The Victorian Schools Plan* requires that the government establish a strong accountability framework during its implementation. Regular and informative reporting to Parliament on progress against planned actions and achievement of intended outcomes should be integral to such a framework.

The government's periodic reporting to Parliament on its implementation of the plan should incorporate:

- articulation of expected high level outcomes in terms of (1) expected qualitative features, including environmental characteristics, of school building facilities and (2) improved educational opportunities for children;
- articulation of experience with expected improved educational outcomes associated with school modernisation plans using case studies to assist school councils seeking to join this program;
- specification of all cost targets and projected commencement and completion timelines for each of the above funding initiatives announced in the 2007-08 budget;
- annual progress reports comparing actual performance on individual projects against established cost and time targets;
- early quantification, for provision in future budgets, of the estimated cost and timing of commitments relating to the remaining six years of the plan;
- identification of the expected impact of the plan's projects on annual maintenance and operating costs in schools, and provision of trend data on the impact on actual costs over time;
- any subsequent variations to the plan and associated budgetary implications; and

¹⁹³ Policy for the 2006 Victorian election, *The Victorian Schools Plan*, November 2006, p.7

¹⁹⁴ Budget Paper No.3, *2007-08 Service Delivery*, Appendix A, pp.282

¹⁹⁵ Mr J Lenders MLC, Minister for Education, *\$16 million maintenance funding boost for Victorian schools*, media release, 25 June 2007

¹⁹⁶ Mr J Lenders MLC, Minister for Education, 2007-08 Budget Estimates hearing, transcript of evidence, 9 May 2007, p.6, 5, 20

- a final report at the conclusion of the plan on its effectiveness in the attainment of intended outcomes and its efficiency in the management of public resources to achieve those outcomes.

The Committee regards the above accountability obligations of the government as significant and intends to progressively monitor the calibre of its annual reporting to Parliament on the plan.

The Committee recommends that:

Recommendation 40: **The government ensure that a comprehensive reporting regime is established for the *Victorian Schools Plan* so that Parliament is adequately informed on the plan's progressive implementation and ultimate effectiveness in delivering on intended educational outcomes.**

Recommendation 41: **The Department of Education and Early Childhood Development publish at an early date the experience to date with educational outcomes feasibility plans associated with planning for schools modernisation, and include in such a report specific case studies as guidance for schools and school councils seeking to enter the program.**