

# **Early Childhood Services**

## **NSW Local Government Project**

**for NSW Department of Education**

# **FINAL REPORT**

Prepared by the  
Institute for Public Policy and Governance  
Centre for Local Government  
**University of Technology Sydney**

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## Acknowledgements

The University of Technology Sydney acknowledges the Eora Nation and the Dharug Nation, upon whose ancestral lands our university stands. We would also like to pay respect to the Elders both past and present, acknowledging them as the traditional custodians of knowledge for these lands.

## About the authors

The Institute for Public Policy and Governance (IPPG) is an interdisciplinary research, consulting and teaching organisation at the University of Technology Sydney (UTS).

We are an independent institute that drives excellence in public policy and decision-making through advisory services, research, learning and capacity building solutions for clients in all tiers of government, the not-for-profit sector and industry.

The Centre for Local Government (CLG) – hosted by IPPG – is a specialist, not-for-profit centre focused exclusively on enhancing the role, performance and sustainability of local government. CLG is focused on supporting excellence in local government through research, specialist management advice and consultancy services, professional development and training, as well as academic teaching and qualifications.

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# Executive summary

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## About the research

In early 2023, the University of Technology Sydney (UTS) through the Institute for Public Policy and Governance's (IPPG) Centre for Local Government (CLG) was contracted by the NSW Department of Education (the Department) to undertake research to strengthen the Department's understanding of the early childhood service (ECS) landscape across NSW, with a specific focus on local government services.

The purpose of the research was to gather local data on the number and types of services delivered and commissioned by councils and provide key insights into the role of local government in supporting the sector. The objective of the research was to:

1. Map the local government ECS landscape across NSW
2. Identify current and emerging local government ECS needs and challenges
3. Document options for the future, including options for improving or facilitating the delivery of ECS at a local government level.

The IPPG:CLG research produced three deliverables:

- This final report, providing an overview of all the quantitative and qualitative research findings
- A companion Excel database containing all the quantitative local government ECS data
- A set of PowerBI dashboards to support interactive, geographic and service-specific analysis of the ECS quantitative data.

## Methodology

IPPG:CLG adopted a mixed methods approach to gather information about ECS provided or supported by councils across New South Wales (NSW). This included:

- **Service mapping:** IPPG:CLG designed a database and data collection model to map ECS directly provided or commissioned by councils, including through grant subsidies. Methods included the analysis of 128 council's annual reports and Census survey responses.
- **Qualitative feedback:** To supplement the quantitative mapping data, IPPG:CLG undertook 5 one-on-one interviews and 5 focus groups with councils. Written feedback was also provided from one council. Findings from interviews with councils were summarised and presented as case studies.
- **Feedback surveys:** In addition to the Census survey, feedback surveys were sent to each council and other key external stakeholders seeking their perspectives and feedback. 54 council stakeholders responded to the Council Feedback Survey, while 61 external stakeholders responded to the External Stakeholder Feedback Survey.

In order to investigate different perspectives and issues across the state, the 128 councils in NSW were divided into three tiers. A tiered model of research was adopted to ensure the research was inclusive of all councils, whilst also providing opportunities to drill deeper into a representative sample of councils. A weighted criteria was used to develop a ranking system for all 128 LGAs in NSW. More information about the methodology can be found in **Section 1** of the report.

## Background information

**Section 2** of the report provides relevant information on ECS in NSW, including demographic profiles and trends of NSW children, common issues and challenges facing children and their families, an overview of ECS in NSW and the policy and funding context in which it operates. **Section 3** of the report provides an overview of local government and ECS in NSW, including a profile of councils in NSW, the history and roles of ECS, and current policy and service profile settings.

## Key findings

### Local Government Early Childhood Services Profile

As at June 2023, the research found that Councils in NSW run 315 ECS formal services, as well as an additional 79 'other' services, including story time programs and playgroups. Of these 315 services, 207 were centre-based services.

Of all councils in NSW (128) 64 councils (precisely 50%) provide ECS:

- 24 councils (19% of all NSW Councils) provide Preschools, with 42 Council-run preschools recorded across NSW
- 43 councils (34%) provide Long Day Care, with 168 Long Day Care Centres
- 33 councils (26%) provide a Vacation Care service
- 30 different councils (23%) provide:
  - Family Day Care
  - OOSH service
- 7 councils (5%) provide an Occasional Care service
- 35 councils (27%) provide 'other' ECS services, such as play groups and story time.

Other key Census survey findings include:

- **ECS Supply and Demand Pressure:** The Census found across NSW, local government operates 9,893 daily places for school hours care. For Centre-based services, half of respondents reported they were running at capacity, with only 10% indicating that they had many places available.
- **Priority Groups:** The Census found that very few councils across NSW offer programs dedicated to Aboriginal children or targeted at CALD communities. The majority of council-run ECS also reported enrolments from children with additional needs in the Census, suggesting that they are an important service provider for this target group in their respective local communities

The Census data was also analysed by DCJ District, Council Geographical Type and SEIFA category, with detailed findings found in **Section 4** of the report.

### **Local Government ECS Issues and Challenges – Qualitative Findings**

The key qualitative findings revealed through interviews, focus groups and survey feedback with council and external stakeholders include:

- **Current Delivery Overview:** Many respondents felt that the role of local government in providing ECS was essential and valuable. Their ability to provide not-for-profit childcare options was seen as a strength. While some councils had actively decided to not provide ECS, rather play a supportive role for local not-for-profit or for-profit providers, the importance of local government providing these services in low-serviced areas, such as rural and regional locations, was strongly highlighted.
- **Strengths of Current Delivery:** The research found a variety of strengths in ECS provided by local councils. Respondents reported that councils were community focused, inclusive and equitable, particularly when it came to supporting children with additional needs and/or disability and being responsive to cultural diversity. Other strengths of council-run services included the strong partnerships that they had with community organisations, their ability to lean on other sections of council for assistance, and their strong record in meeting or exceeding Australian Children’s Education and Care Quality Authority (ACECQA) assessments and ratings. The ability for council-run services in rural and regional areas to provide high quality services however was compromised by limited places and facilities, long waiting lists, and lack of qualified staff. Respondents from metropolitan areas also noted the good professional development programs linked to council, encouraging staff retention and loyalty over time.
- **Challenges and Barriers for Councils:** The most reported challenge by councils commissioning or delivering ECS was staffing. The ability to attract, recruit and retain staff were impacted by factors such as the cost-of-living crisis, burnout, high maternity leave turnover, restrictive pay and low wages, and staff shortages exacerbated by the COVID-19 pandemic. Current funding models and arrangements were also considered complex, restrictive, not uniform and in many circumstances not adequate, particularly when covering the costs of children with additional needs. It was also noted that both for-profit and not-for-profit providers received the same amount of funding, creating an uneven playing field in terms of resourcing. Outdated infrastructure was also seen as a key challenge faced by councils in delivering ECS, as well as the constant threat of these services being discontinued due to the constant change in political priorities and leadership.
- **Challenges and Barriers for Families:** When looking at the barriers that families face in accessing council-run ECS, council and external respondents ranked obtaining a placement, affordability of services and accessing services that cater to diverse needs as the top three issues. Long waitlists for council services were the most reported barrier. Respondents also highlighted that families from low-income backgrounds face several types of disadvantages when trying to access services, notably financial, transport and educational disadvantage. Cultural disadvantage was also cited by some, particularly for newly arrived migrant and



refugee families, and councils noted that there are opportunities for them to be more inclusive of their culturally and linguistically diverse (CALD)/Aboriginal and Torres Strait Islander populations.

- **Future Service Delivery:** When thinking about future delivery of ECS, most respondents nominated the following areas of highest priority for their respective councils: improved collaboration between council and the NSW Department of Education, improved attitude and commitment of council towards ECS and increased council investment in early childhood services. Respondents continued to highlight that politics posed a threat to how these services were prioritised and funded. The lack of consideration of ECS in environmental planning and IP&R frameworks was also flagged as a further threat to local government’s role in planning for and providing these types of services. Most respondents suggested that federal and state governments could increase funding for ECS, particularly for children with additional needs, infrastructure and operations. There was also requested support for increasing wages and training subsidies, particularly in rural and remote areas, so that ECS could compete with the better conditions offered to primary and secondary school educators.

## Case studies

Findings from the interviews with 4 Tier 1 councils were summarised and presented as case studies. The case studies provided a deeper understanding of the unique issues and opportunities faced by each council, as well as the strengths and weaknesses in councils’ delivery of ECS. A summary of the Tier 1 case studies can be found in **Section 6** of the report, with the full case studies found in **Appendix 4**.

## Key insights and options for the future

Analysis of the IPPG:CLG research findings highlights **six key directions** for how the Department could better support local government in providing or facilitating the provision of quality ECS to their local communities, families and children. They are as follows:

- 1) **Enhance recognition and increase engagement and dialogue with the local government sector across NSW.**
- 2) **Undertake supplementary research on the ECS landscape in NSW, and the changing role of local government within it.**
- 3) **Encourage and support ECS needs analysis and long-term planning to facilitate sustainable decision making and resource allocation.**
- 4) **Build the workforce and enhance ECS capacity to meet quality standards and address high priority groups.**
- 5) **Support increased collaboration and referral pathways for vulnerable, at risk and disadvantaged children and families.**
- 6) **Provide direct assistance and support to those councils with high levels of needs and significant funding shortfalls.**

More information about the key directions, and the 17 related actions, can be found in **Section 7** of the report.

## Acronyms

ABS	Australian Bureau of Statistics
AEDC	Australian Early Development Census
ACECQA	Australian Children’s Education and Care Quality Authority
ATSI	Aboriginal and Torres Strait Islander <i>(only used in tables where needed)</i>
CALD	Culturally and Linguistically Diverse
CBD	Central Business District
CCB	Child Care Benefit
CCR	Child Care Rebate
CCS	Child Care Subsidy
CLG	Centre for Local Government (UTS)
COVID-19	Coronavirus of 2019
DCJ	NSW Department of Communities and Justice
ECE	Early Childhood Education
ECEC	Early Childhood Education and Care
ECD	Early Childhood Development
ECS	Early Childhood Services – see definition page 6
FDC	Family Day Care
IPPG	Institute for Public Policy and Governance
IP&R	Integrated Planning and Reporting (Framework)
KRQ	Key Research Questions
LDC	Long Day Care
LHD	Local Health District
LGA	Local Government Area
NDIS	National Disability Insurance Scheme
NQF	National Quality Framework
NQS	National Quality Standard
NQAITS	National Quality Agenda IT System
NSW	New South Wales
OECD	Organisation for Economic Co-operation and Development
OLG	Office of Local Government NSW
OOSH/OSHC	Out of School Hours Care
SA	South Australia
SEIFA	Socioeconomic Index for Areas
StEPS	Statewide Eyesight Preschooler Screening
ToR	Terms of Reference
UTS	University of Technology Sydney
WWCC	Working with Children Check

Also see key terminology definitions on page 6 and more on page 103.

# 1 Introduction

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Councils across NSW are the closest level of government to the community and are responsible for delivering a variety of local services and infrastructure.<sup>1</sup> This includes, in the majority of cases, delivering or facilitating early childhood services (ECS) for local families. As the government agency responsible for ECS related to education and development, the NSW Department of Education (the Department) is focused on learning more about the role of local government in this area.

In early 2023, the University of Technology Sydney (UTS) through the Institute for Public Policy and Governance's (IPPG) Centre for Local Government (CLG) was contracted by the Department to undertake research to strengthen the Department's understanding of the local government ECS landscape across NSW.

## 1.1 Research Overview

### 1.1.1 Research Objectives

The purpose of the research was to gather data on the number and types of services delivered and commissioned by councils and provide key insights into the role of local government in the ECS sector. More specifically, the IPPG:CLG research was designed to:

1. Map the local government ECS landscape across NSW
2. Identify current and emerging local government ECS needs and challenges
3. Document options for the future, including options for improving or facilitating the delivery of ECS at a local government level.

The research commenced in February and concluded in September 2023. This report contains a summary of the research findings together with the options arising.

### 1.1.2 Scope and key terminology

The IPPG:CLG research was targeted to ECS delivered or facilitated by councils across NSW.

In this report:

- **Early Childhood Services (ECS)** refers to any service which aims to deliver developmental, educational, and care to children aged 0 to 12 years. This project included a primary focus on ECS for children aged 0-6 years, the majority in formal child care settings.<sup>2</sup>

In some source documents, these types of services are referred to as early childhood education and care (ECEC) services, though to encompass both ECEC services and

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<sup>1</sup> LGNSW, 2023

<sup>2</sup> See Section 1.3.2 for more information on the research limitations and qualifications.

other early childhood services offered to children and their families, the term ECS has been adopted.

Unless qualified, all references to local council ECS refers to:

- Preschools
  - Long Day Care
  - Family Day Care
  - Occasional Care
  - Out of School Hours (OOSH)
  - Vacation Care
  - ‘Other’ ECS including library story time services, play groups and other programs not included above.
- Unless qualified, all references to Centre-based ECS refers to:
    - Preschools
    - Long Day Care
    - Occasional Care.
  - **Local Government Area (LGA)** refers to an administrative division of NSW that a local council is responsible for. There are 128 Councils and LGA in NSW.

More details on how the ECS profiling data has been defined and analysed is included at the start of Section 4.

Other acronyms used can be found in the Glossary at the front of the report.

Other key terms and definitions used can be found at Appendix 1.

### **1.1.3 Key Research Questions**

The IPPG:CLG research design and analysis was guided by six Key Research Questions (KRQ):

1. What is the current and future profile of local government ECS in NSW? How is the profile changing over time?
2. What are the needs, barriers and challenges councils are facing when planning for, delivering or commissioning ECS services locally?
3. What factors are impacting the design and delivery of ongoing, new or modified ECS services, including those involving partnerships or collaborations with other service providers?
4. What current, planned or recommended activities are councils identifying to strengthen and improve ECS services at a local government level?
5. What are local council services doing to support families who are experiencing vulnerability and disadvantage?
6. What options or recommendations arise from the research evidence, including on types of ECS services and supports that could be provided to councils to enable them to better meet the needs of local communities?

## 1.2 Research Design and Methodology

### 1.2.1 Tiered model of research

In order to investigate different perspectives and issues across the 128 councils in NSW, IPPG:CLG adopted a three-tier investigation model. This was to ensure the research was inclusive of all councils, whilst also providing opportunities to drill deeper into a representative sample.

Weighted criteria was used to develop a ranking system for the 128 Local Government Areas (LGA).<sup>3</sup> The end result was:

- 8 councils in Tier 1, considered case study councils, comprising:  
Brewarrina, Byron\*, Campbelltown\*, Fairfield, Murray River, Muswellbrook\*, Northern Beaches\*, and Tamworth.  
  
\* These four councils engaged in the research and agreed to be the subject of detailed analysis. The results are summarised in Section 6 and expanded upon at Appendix 4.
- 24 councils in Tier 2, considered focus councils, comprising:  
Bayside, Canterbury-Bankstown, Inner West, Central Coast, Wollondilly, Lithgow, Kempsey, Cessnock, Griffith, Eurobodalla, Ballina, Kiama, Tenterfield, Kyogle, Parkes, Cobar, Oberon, Greater Hume Shire, Yass Valley, Coonamble, Balranald, Hay, Carrathool, and Lockhart.
- Remaining 96 other councils that would receive a lighter-touch research response.

### 1.2.2 Desktop Review

To locate this targeted research project within a wider policy, funding and operational context, IPPG:CLG conducted desktop research into the ECS landscape in Australia, with a specific focus on NSW. The result of this research is summarised in Section 2 and 3 of this report.

In addition, the development of the ECS database (described below) involved extensive analysis of online data sources including Australian Bureau of Statistics (ABS) demographic data, National Quality Agenda IT System (NQAITS) classifications, plus Council annual reports and Integrated Planning and Reporting documentation etc.

A full list of references used is included at the end of this report.

A list of ECS fields/sources used in the database are included at Appendix 2.

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<sup>3</sup> The weighting criteria comprised:

- Percentage of population aged 3-5 that identify as Aboriginal and/or Torres Strait Islander
- Percentage of population aged 3-5 that are enrolled in a preschool program
- Percentage of population that were assessed as developmentally vulnerable on 2 or more AEDC domain
- Internal modelling on preschool demand and supply kept by the Department.

### 1.2.3 ECS Mapping

#### a) Database

To meet the first research objective, IPPG:CLG designed a detailed data collection model and database to map ECS directly provided or commissioned by councils.

ECS data for each LGA was drawn from various sources to provide a complete picture of service profile. Included at Appendix 2 is a list of the data fields captured in the database, including important profiling information such as ABS, population numbers and SEIFA deciles (Socio-Economic Indexes for Areas); NSW Department of Communities and Justice districts, Local Health Districts and NSW OLG council type (e.g. metropolitan, metropolitan fringe, regional town/city, large rural and rural) to allow comparisons at a regional level and more.

To confirm current ECS services, a stepped approach was used:

- Desktop review of council websites and other public facing documentation related to children services.
- Feedback data gathered through an IPPG:CLG administered census survey that was distributed to all 128 councils, seeking factual ECS profiling information. The surveys distributed were tailored to each council, and included pre-programmed information that had been gathered from the desktop review.

After multiple follow-ups, 62 census surveys were returned representing a 48% response rate.

The census survey results were then cross-checked against the desktop review with the following results:

- 59 councils confirmed in their survey response that they did provide ECS broadly consistent with the desktop review.
- Three councils (Glenn Innes Severn, Greater Hume, and Lachlan Shire Councils) that indicated they did provide ECS in their survey responses had not been identified as providing services through the desktop review.
- One council (Liverpool Plains Shire Council) which was identified in the desktop review as providing ECS, did not respond to the survey. For completeness, this council was added to the database as providing ECS based on the information available online, and confirmed through a telephone call.

Following this verification process, IPPG:CLG concluded that, with one exception (above), the councils which did not respond to the survey do not deliver ECS.

Consequently, the accompanying **ECS database can be considered representative of ECS delivered by local government in NSW as of June 2023.**

Section 4 of this report contains some key mapping and comparative findings drawn from the database.

#### b) PowerBI Maps

To help illustrate the information contained in the database, IPPG:CLG imported the data into PowerBI software. Using GIS mapping, this data visualisation tool generated a

number of detailed, interactive maps and graphics. A select number of maps based on this software have been included in Section 4 of this report.

Appendix 5 includes a sample screen of the data visualisation options the software generates, including maps, graphs, charts and tables. It also includes the [hyperlink](#) to all the project data available through the cloud.

IPPG:CLG understands that the Department will export and manipulate this data to generate other dashboards based on any variables listed in the companion database (see Appendix 2). We also understand that the Department will marry the content to other databases and PowerBI options in use internally.

#### **1.2.4 Identifying Needs, Challenges and Future Options**

To supplement the desktop research and quantitative mapping data, IPPG:CLG designed and executed various qualitative research instruments designed to gather information on the second and third research objectives, namely, to identify current and emerging local government ECS needs and challenges, and document options for the future.

While responses to all instruments was lower than anticipated (see details at Section 1.2.5 below), the quality of feedback gathered was high as documented in Section 5 of this report.

The methods included:

- Establishment and promotion of an **interactive research engagement website** (<https://www.earlychildhoodlocalgov.uts.edu.au>). This site-see screen shot at Appendix 3 – was widely and repeatedly promoted by both the Department and IPPG:CLG, and allowed readers to learn more about the research and also:
  - Access one of two survey feedback instruments (see details below)
  - Register for a focus group or interview.
- Administration of two **survey instruments** were used for this research:
  - The first instrument – available on engagement website, and provided in multiple correspondence to all 128 councils, was designed to feedback from **local council staff** with a role in ECS services, at any level.
    - 54 council stakeholders responded, with respondents identifying as being from the following:
      - 43% based in a metropolitan area
      - 43% based in regional town/city
      - 9% based in a rural area
      - 5% based in a large rural area
  - There were no respondents who identified as being from a metropolitan fringe area.
  - The second survey instrument also available on the website and distributed in communications from the Department was available to all non-council personnel. 61 external stakeholders responded with most self-reporting they were a government or public sector employee (31%), a worker or manager providing

early childhood education services to the community (29%), a parent or carer of a child aged 0-6 years (22%), an employee or representative of a peak body or advocacy organisation (5%), or an employee or member of an industry organisation (3%). Respondents also selected 'Other or prefer not to say' (10%).

Qualtrics data sets of each survey instrument has been provided to the Department as stand-alone documents for future reference.

- As documented in the Project Implementation Plan, IPPG:CLG intended to conduct **in-depth interviews** and focus groups with key council ECS personnel, with a specific focus on Tier 1 councils. The purpose of these methods was to gain a deeper understanding of the unique issues and opportunities faced by councils, as well as the strengths and challenges in their ECS delivery.

Despite multiple efforts to rally engagement, only five one-on-one interviews were conducted – four with Tier 1 council personnel, plus five focus groups, with coverage of 10 Tier 2 and 3 councils. In lieu of an interview, one Tier 1 council opted to provide written feedback to the interview questions.

While only a small number of councils (14) were engaged through these processes, there was a diversity of perspectives from key ECS personnel from: seven metropolitan councils; four regional town/city councils; two large rural councils; plus one metropolitan fringe and one rural council, covering all of the NSW council classifications, as defined by the Office of Local Government NSW (OLG).

- Regular feedback and engagement with Department staff, including through:
  - April 2023 planning workshop with a cross-section of staff
  - September 2023 draft report workshop with executive members, plus
  - Weekly or fortnightly work-in-progress meetings
- A final element of IPPG:CLG research methodology was a commitment to prepare in-depth **case studies** of six Tier 1 council's ECS and also their unique perspectives of needs, challenges and future options.

Once again, despite intense calling and follow-ups only four Tier 1 councils were engaged in this process.

Included at Section 6 is a summary of these profiles, with longer versions of each case study is at Appendix 4.



## 1.3 About the Report

### 1.3.1 Report Content

It should be noted that, with the exception of the case studies – that involved council’s approving the content prior to finalisation<sup>4</sup>, all other feedback was gathered and analysed on the basis that the respondents’ anonymity would be protected. This is to ensure the feedback was frank and fearless, and not be necessarily representative of the formal views of any specific council or personnel therein.

As such, all feedback included in this report refers to councils by their OLG classification labels, and to personnel using generic role titles. That said the report findings include many direct quotations from respondents, often highlighted and indented in *blue italics*.

This report contains a full reference list at the end. Details pertaining to footnotes can be found there.

### 1.3.2 Research qualifications and limitations

As with all research, there were a number of limitations that need to be noted, though not construed as compromising the findings and directions contained in this report. These include:

- As commissioned by the Department, this targeted research project has an exclusive focus on NSW council ECS, and does not include research and comparisons involving other jurisdictions or any private and not-for-profit ECS providers in NSW.

It is understood that the Department has access to some of this information, and is likely to use this IPPG:CLG local government research, to build a full picture of the ECS landscape in NSW.

- With the exception of the desktop evidence and information available on council websites, a significant proportion of the research findings are derived from self-reports by council staff who participated in the research, and provided feedback through the census survey or other feedback instruments.

This information has been accepted at face-value, and has not been independently vetted or corroborated through other sources or secondary parties.

- Overall, the research experienced disappointingly low participation rates across all qualitative research instruments – feedback surveys, interviews and focus groups. This was despite multiple engagement efforts, including at least three emails to each council, follow-up telephone calls to all Tier 1 (8) and Tier 2 (24) councils attempting to access key personnel responsible for ECS, often followed by follow-up emails. While these efforts were fruitful in a few instances, the net response rate was substantially less than planned for.

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<sup>4</sup> A total of five (5) Tier 1 councils were approached for interview to develop the case studies, followed by additional information requests via email. The IPPG:CLG research team undertook extensive engagement and follow-up to secure the information required for the case studies, averaging 3-4 emails per council. A total of four (4) Tier 1 councils responded to IPPG:CLG’s email requests for information and was used to develop the case studies presented in this report.

Anecdotal evidence gathered from project participants, and from other local government contacts known to IPPG, suggests this lack of engagement may be attributed to a combination of factors including:

- poor internal communications systems at councils, with information ‘gatekeepers’ not forwarding the engagement information onto the appropriate personnel
  - low priority topic given current other pressures being experienced at individual LGA level
  - overstretched and time-poor staff, with many invested in ECS preoccupied with direct service provision
  - personnel not having the authority/permission to provide feedback.
- The IPPG:CLG research was designed to capture trends in NSW council ECS provision over time, with three-time intervals established. Unfortunately, this was not possible to consistently gather to allow for meaningful comparisons. This was because:
    - Most council ECS information is web based, and therefore previous service profiles have been updated and are no longer publicly accessible
    - While the researchers had reviewed previous annual reports, as well as some various Integrated Planning and Reporting (IP&R) documentation, they generally lacked sufficient numbers and specificity to support comparisons with the 2023 mapping information.
    - Knowing the above, the IPPG:CLG researcher had planned to gather historical information through the interviews and focus groups with all Tier 1 and 2 councils. Regrettably, the low level of engagement from most of these councils made this impossible.

Nonetheless, the four case studies included in the report (see Section 6 and Appendix 4) do provide some commentary on ECS changes over time.

- The research did not include significant engagement with parents and carers – either past, present or potential users of council ECS, albeit 13 did complete the external feedback survey. Further, no current or past children enrolled in ECS were consulted as part of the research.

In future, feedback from both these cohorts would provide invaluable perspectives on the qualitative research findings presented in this report. At present, Section 4 in particular is heavily reliant on the views of council staff and other professionals working in the sector.

- The qualitative research evidence is also light from private sector, industry group and child and family services perspectives. Once again this suggests opportunities to build on the findings presented in this report.

Notwithstanding these limitations and qualifications, IPPG:CLG is confident in the quality of findings presented, together with the insights and options arising, as documented on the pages following.

## 2 Background to ECS in NSW

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*This section provides relevant background information on ECS in NSW, including demographic profiles and trends of NSW children, common issues and challenges facing children and their families, an overview of ECS in NSW and the policy and funding context in which it operates.*

*Note: While this research focuses on ECS, in this section if the source document uses other terminology - such as ECEC – then that term is used. (See definition at Section 1.1.2 and Appendix 1).*

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### 2.1 Profile of Children in NSW

#### 2.1.1 Demographic profile and trends

In NSW, there were 468,056 children between the ages of 0-5 years in 2021, consisting of approximately 30% of the total number of children in this age bracket in Australia (1,462,812).<sup>5</sup> Of the number of children aged 5-9 years, 500,810 resided in NSW, presenting a similar statistic of an estimated 30% of the total number of children in this age category across the country (See

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<sup>5</sup> ABS, 2021.

Figure 1).<sup>6</sup>

NSW is expected to see a small increase in the number of births as well as children aged 0-9 years over the next 20 years.<sup>7</sup> The following graphs outlines the projected population of children across NSW in the early development stage of life.

From 2017 to 2037, the number of 0–4-year-olds in NSW is expected to increase by 40.6%. Similarly, for 5–9-year-olds, this increase is expected to be 40.5% (See

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<sup>6</sup> ABS, 2021.

<sup>7</sup> NSW Government Planning Portal (2021) '[Projected Population by Age](#)'. Please note that the ABS projects that the proportion of children aged 0-14 years is projected to decrease from 19% to between 16% and 18% in 2066.

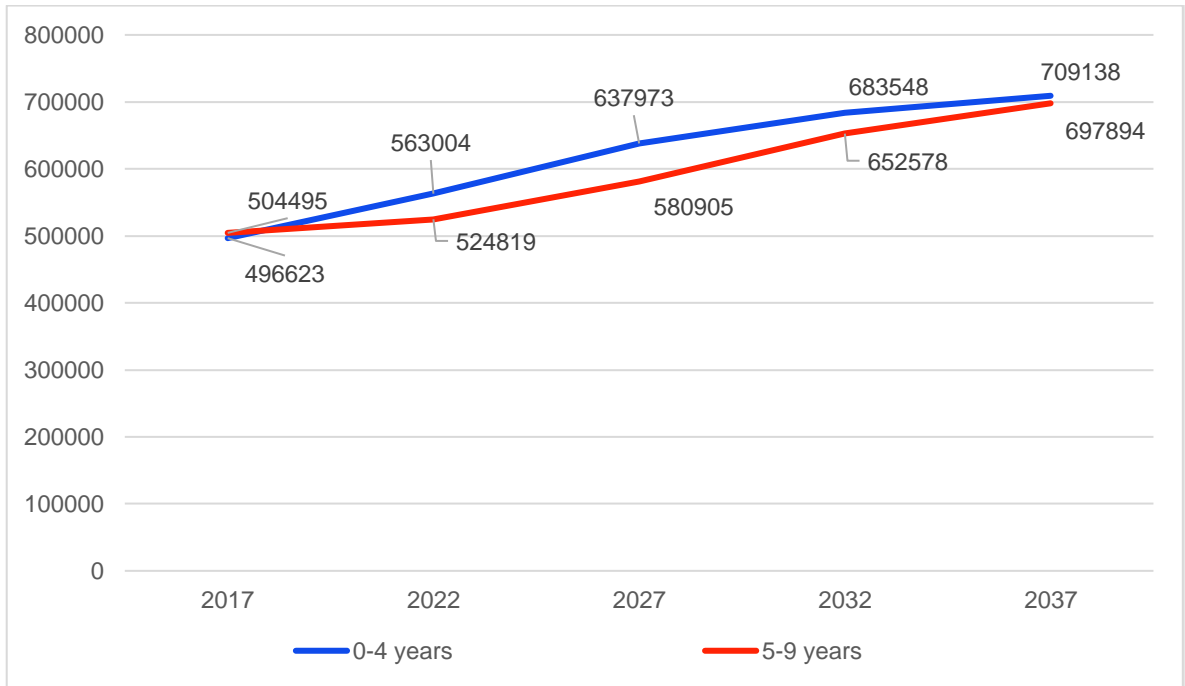
Figure 3).

Figure 2 outlines the projected population of children aged 0-4 years in NSW over the next 20 years. Sydney is expected to see considerable growth in children aged 0-4 years, increasing by 57.3% from 333,004 in 2017 to 523,722 in 2037. In contrast, the rest of NSW is not expected to see much growth, with the population remaining relatively stagnant, increasing by 13.3% from 163,619 in 2017 to 185,416 in 2037.<sup>8</sup>

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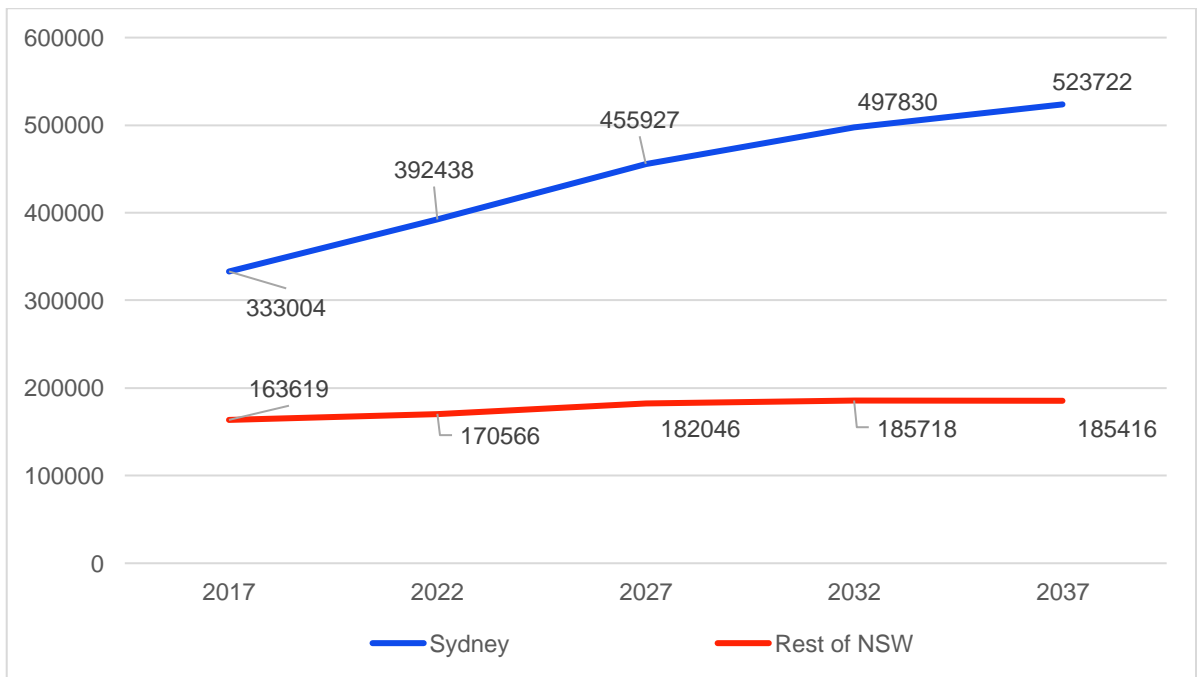
<sup>8</sup> ABS, 2017, '[Population Projections by Region, 2017-2066](#)'.

**Figure 1: NSW Population Projections, 2017-2037**



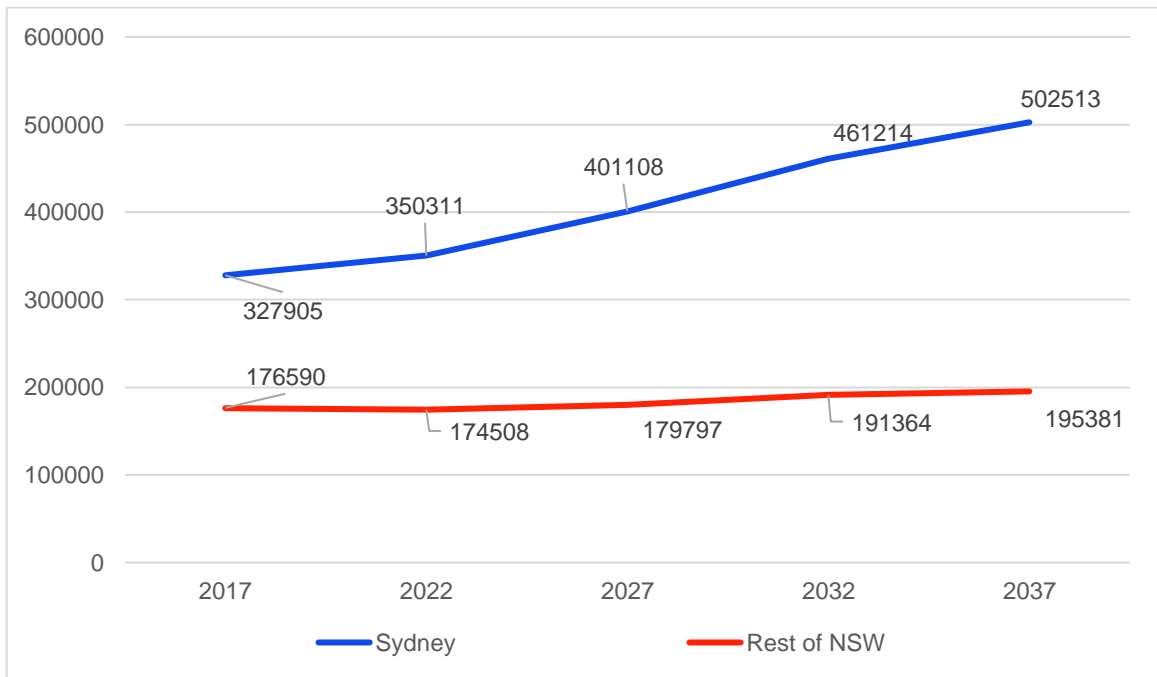
Source: Australian Bureau of Statistics (2017), Population Projections, Australia, ABS Website, accessed 19 July 2023.

**Figure 2: NSW Population Projections, 0-4 years**



Source: Australian Bureau of Statistics, Population Projections by Region 2017-2066, ABS Website, accessed 3 August 2023.

**Figure 3: NSW Population Projections, 5-9 years**



Source: Australian Bureau of Statistics, *Population Projections by Region 2017-2066*, ABS Website, accessed 3 August 2023.

As for families with children, the 2021 Census counted over 2.5 million families with children under the age of 15 years.<sup>9</sup> The graph below depicts expected family composition projections in Australia. Couples with children are projected to make up 43% of all families in 2041, down slightly from 44% in 2016. In contrast, couples without children, and single parent families are all expected to grow compared to 2016 figures. Of these groups, single-male-parent families are projected to increase the fastest of any family type, increasing at a rate of 44% to 65% by 2041 (See

<sup>9</sup> ABS (27 June 2022), ['2021 Census shows changing face of Australia's 6 million families'](#).

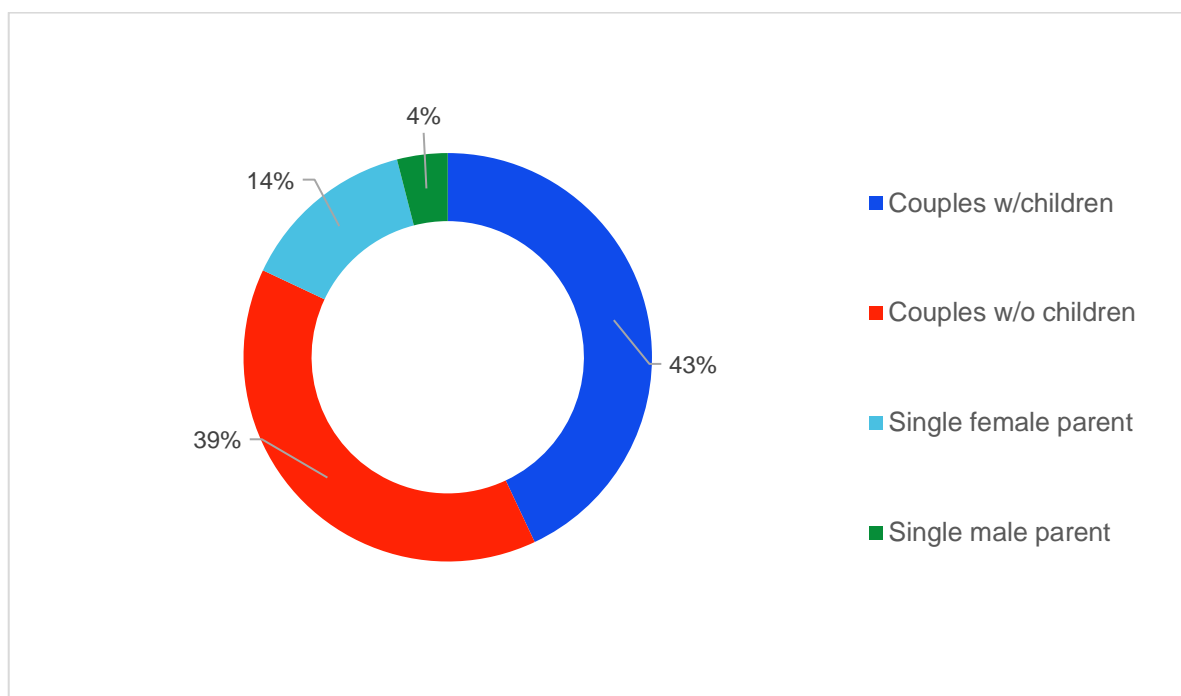
Figure 4).<sup>10</sup>

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<sup>10</sup> ABS (2016-2041), [‘Household and Family Projections, Australia.’](#)



**Figure 4: Family Composition Projections, 2041**



Source: Australian Bureau of Statistics (2016-2041), Household and Family Projections, Australia, ABS Website, accessed 3 August 2023.

## 2.1.2 Common issues and challenges facing children and their families

### 2.1.2.1 Work requirements as barriers to subsidies

The Commonwealth Government requires all families and carers accessing Child Care Subsidy (CCS) to follow the work requirements of an ‘activity test’. Under the current test, families need to do certain amounts of paid work (e.g., work, study, training, volunteering, or care) to receive certain hours of subsidised care. If there are two parents in a family, the activity test is based on the parent who works the least. Figure 5 outlines the four activity levels and respective hours of subsidised care. Parents doing less than eight hours of work a fortnight get access to 24 hours of subsidised care, which is only 2-3 days of subsidised care in a fortnight.<sup>11</sup>

**Figure 5: Subsidised hours of care based on activity level**

Activity level each fortnight	Hours of subsidised care each fortnight
Less than 8 hours	0 hours if you earn above \$80,000. 24 hours if you earn \$80,000 or below.
More than 8 to 16 hours	36 hours
More than 16 to 48 hours	72 hours
More than 48 hours	100 hours

Source: Services Australia (10 July 2023), Activity level and subsidised care, accessed 8 August 2023.

<sup>11</sup> The Conversation (17 February 2023), [‘Better, cheaper childcare is on the horizon in Australia, but 4 key challenges remain’](#).

Rather than encouraging families to work, low-income families were less likely to access ECS because of the restriction to hours of care. The current activity test for the CCS is contributing to at least 126,000 children from low-income families across Australia missing out on early childhood education and care.<sup>12</sup> The activity test in effect, creates further barriers for children from disadvantaged backgrounds from accessing services, despite being the group that would benefit the most from CCS.

#### **2.1.2.2 Challenging workforce needs**

There are also major challenges around the workforce for the early education sector. One key issue is the widespread staffing shortages which subsequently impacts the delivery and supply of ECS. Workforce shortages mean that providers may have to restrict the number of places available for children to enrol in due to staffing ratios set by the NQF. This places additional responsibilities and stress on staff, which may lead to escalating rates of workplace burnout. Another notable reason for these shortages is the low pay and excessive workloads, the two main reasons cited by more than 4,000 current and former educators. Additionally, more than 73% of educators surveyed envisaged themselves leaving the early childhood sector by 2024.<sup>13</sup>

#### **2.1.2.3 Costs of early childcare services**

The average Australian family spends 16% of their household income on ECS, compared to the OECD average of 9%, which suggests that service affordability in Australia is low by international standards.<sup>14</sup> On top of regular service fees, parents face additional out-of-pocket costs, such as supplying meals or nappies for their children to use at the services. ECS providers may also charge additional fees, such as for excursions, extracurricular activities and building fund contributions.

#### **2.1.2.4 Service supply issues**

Although they may differ based on service types, the 3 key drivers of supply of ECS are cost, demand, and workforce availability. In terms of the quantity of ECS, the number of services in NSW has increased by 72% since December 2012, with the majority of growth occurring in the long day care and outside school hours care sectors. However, the supply of services is not evenly distributed across the state. The majority of services in NSW are concentrated in major cities, whereas the supply of services in inner regional, outer regional, remote, and very remote parts of NSW is vastly different. For example, compared to the 4,493 services located in major cities, there are 34 services in remote areas, and 7 services in very remote areas. The factors which have been identified as driving lower supply include cost, difficulties with access including availability of services and staff, and variability in funding.<sup>15</sup>

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<sup>12</sup> Impact Economics and Policy (August 2022), '[Child Care Subsidy Activity Test: Undermining Child Development and Parental Participation](#)'.

<sup>13</sup> United Workers Union (2021), '[Exhausted, undervalued and leaving: the crisis in early education](#)'.

<sup>14</sup> IPART NSW (April 2023), '[Review of early childhood education and care](#)'.

<sup>15</sup> IPART NSW (April 2023), '[Review of early childhood education and care](#)'.

Additionally, more than 9 million, or 35% of Australians live in ‘childcare deserts’, which are classified as areas where there are more than three children vying for one childcare place.<sup>16</sup> Moreover, about one million Australians live in areas with no access to childcare at all.

#### **2.1.2.5 Complex needs of children and exclusionary practices**

All children in NSW have the right to inclusive ECEC. Inclusive services allow every child who might experience barriers to equal participation to engage meaningfully in activities and receive adequate care alongside their peers. This may be the case for children from First Nations backgrounds, culturally and linguistically diverse (CALD) backgrounds, and children with disabilities or additional needs.

Despite these commitments to inclusion from most ECS, some children and their families have trouble accessing services due to discrimination. In particular, children with disabilities and additional needs are much more likely than other children to be turned away by a service, which may be an unintended consequence of services refusing an enrolment application as they feel they do not have the capability to care for a certain child (e.g., children with behavioural issues or severe medical conditions).<sup>17</sup>

## **2.2 Profile of Early Childhood Services in NSW**

### **2.2.1 Overview of service types**

ECS in NSW span beyond just education and may also include health services (such as health and development checks and mobile vaccination clinics) and recreational services (such as sporting/playgroups, vacation care and transportation services). Though sometimes unclear, there is a distinction between these all-encompassing early childhood services and early childhood *education* services, which are specific to children’s learning and education and sit under the broader service umbrella.

ECS are delivered from all tiers of government, as well as from not-for-profit and private providers. Local government is part of this often complex service landscape, and their role in delivering services differs from council to council. Some councils may directly deliver services, while others may choose to have a more supportive role, working in collaboration with not-for-profit and private providers, but not directly delivering services themselves.

In NSW, child and family health services are free for parents and carers of children aged 0-5 years. This includes health and development checks, support and information on parenting topics and referrals to paediatricians, nutritionists, audiologists and optometrists. Services are run by a range of professions including nurses, doctors, midwives, speech therapists, social workers and psychologists. Parents do not need referrals to access a child and family health service.

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<sup>16</sup> Mitchell Institute (22 March 2022), [‘Childcare deserts & Oases: How accessible is childcare in Australia?’](#)

<sup>17</sup> AIFS (November 2021), [‘Evaluation of the Inclusion Support Program’](#).

In NSW there are five options for childcare<sup>18</sup>:

- Centre-based care – this includes long day care, occasional care, preschools and kindergartens
- Family day care – this is when an approved educator cares for your child in the educator’s home
- Home-based care – when a friend, relative, babysitter or nanny cares for a child in their family home
- Business-related creches – this is informal care offered in business like gyms or shopping centres
- Outside of school hours care – this is centre-based child care for primary school-age children before and/or after school, on student-free days and during the school holidays.

## 2.3 Profile of Early Childhood Services in NSW

### 2.3.1 Overview of service types

The types of ECS that are delivered across NSW are broad, however they typically fall under five categories, summarised below. All figures are based on the year 2023.

There are more than 5,920 early childhood education services in NSW. In addition, 23,000 children attend a Department of Education, community, or mobile preschool (ages 3-5).<sup>19</sup>

**Department of Education Preschool.** A school-based NSW Government run service for children aged 3-5. The following summarises key information relating to the service.<sup>20</sup>

- Typically operates 6 hours per day (e.g. 9am – 3pm).
- Programs are delivered for 15 hours per week, or 600 hours per year, with a focus on vulnerable, disadvantaged, or Aboriginal and Torres Strait Islander children.
- Department preschools enrol children for one year only, the year before they start school.
- Guided by the Early Years Learning Framework.

**Community and mobile preschool.** An early childhood education service primarily funded by the NSW Government for children aged 3-5. The following summarises key information relating to the service:

- Typically operates 7.5-hour days (8.30am-4pm)
- Programs are delivered for 15 hours per week, or 600 hours per year.
- Guided by the Early Years Learning Framework.

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<sup>18</sup> Raising Children (2023), [New South Wales: Services](#)

<sup>19</sup> NSW Department of Education (2023), [Day 1 2023: a snapshot](#).

<sup>20</sup> NSW Department of Education (2023), [Department preschools](#).

- Currently approximately 700 centre-based community and 38 mobile preschool services.<sup>21</sup>
- Service not eligible for CCS.

**Long Day Care (LDC)/Centre-based Day Care.** Centre-based services with extended hours that offer preschool programs for children aged 0-5. The following summarises key information relating to this service type:

- Typically operates 10-11 hours per day (e.g., 7:30am to 6pm).
- Guided by the Early Years Learning Framework
- Usually open for 48 weeks per year with extended hours
- Service eligible for CCS
- 61,000 children are enrolled in long day care or centre-based day care (ages 0-5).<sup>22</sup>

**Family Day Care (FDC).** Home based services for children between the ages of 0-12. The following summarises key information relating to the service:<sup>23</sup>

- Educators provide education and care in homes or certain approved venues.
- Days and hours of operation vary between services and educators.
- Small groups of up to seven children, with no more than four children who are under school age.
- Not a requirement to have an early childhood teacher – the service is still guided by the Early Years Learning Framework.
- Service eligible for CCS.

**Out of School Hours Care (OSHC).** Centre-based services offering before and after school care and vacation care. The following summarises key information relating to the service:<sup>24</sup>

- Service operating hours vary depending on community needs and school hours, typically operating before school (e.g. 6:30am-9:30am) and after school (e.g. 2:30-6:30pm), often located at a school.
- guided by My Time, Our Place Learning Framework<sup>25</sup>
- service eligible for CCS
- approximately 151,000 children aged 5-12 use this service.<sup>26</sup>

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<sup>21</sup> NSW Government (2020), \$120 million extra for [free preschool program to help parents](#).

<sup>22</sup> NSW Department of Education (2023), [Day 1 2023: a snapshot](#).

<sup>23</sup> Family Day Care (n.d.), [What is family day care](#).

<sup>24</sup> NSW Department of Education (2020), [Outside School Hours Care \(OSHC\) Services](#).

<sup>25</sup> Association of Independent Schools of NSW (n.d.), [Out of School Hours Care](#).

<sup>26</sup> NSW Department of Education (2023), [Day 1 2023: a snapshot](#).

## 2.4 ECS Funding and Key Policy Drivers

ECS policy and funding arrangements across Australia operated within and reflect our federated and three-tiered model of government. This then intersects with degrees of complexity based on other variables including the profile and income of individual families and children; direct funding available to ECS providers, be they government, NFP or private sector; plus different levels and types of user-pays arrangements. For example, the Commonwealth's Child Care Subsidy – extended in July 2023 – allows eligible families to receive subsidised fees, widely used across the sector. On the other hand, the NSW Government is the primary funder of public pre-schools and community pre-schools.

While a full analysis of the interplay of ECS funding and policy drivers is beyond the scope of this paper, what follows is a summary of some current or recent initiatives that are impacting the ECS operating environment in NSW.

### 2.4.1 Commonwealth Government

#### **Commonwealth Early Years Strategy – National Summit 2023**

On 17 February 2023, the Commonwealth Government held a National Summit to inform the development of the Commonwealth Early Years Strategy (the Strategy). The Summit included contributions from a number of stakeholders across the policy and practice spectrum relating to childhood development. Attendees included representatives from early childhood education and care, First Nations, disability, health, and parenting support organisations, and unions and academics with experience and expertise in early childhood education and development.<sup>27</sup>

The aim of the Strategy is to create a shared vision and pathway to support Australia's children and families in their Early Years to achieve ongoing success in their lives. Following consultation, research, and evidence gathering from diverse members from the early childhood sector, including parents, community organisations, and representatives from across government, non-government, academic and business sectors, the Summit focused on the following themes:

- Supporting and empowering children, parents, carers, families and communities.
- Inclusion – particularly First Nations peoples, CALD people and children with a disability
- Accountability – to ensure the early years remain an enduring feature of Commonwealth public policy
- The importance of developing approaches that balance universal access to services and supports, as well as being responsive and bespoke to local contexts.

The Summit comprised of three sessions focused on developing a vision, principles and priorities for the Strategy. Delegates worked collaboratively throughout the Summit, and participated in a number of Question-and-Answer panels and workshops.<sup>28</sup>

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<sup>27</sup> Ministers' Media Centre, 17 February 2023, [Development of Early Years Strategy informed by National Summit](#), [Press release].

<sup>28</sup> Australian Government Department of Social Services (15 March 2023) [National Early Years Summit Summary and Agenda](#), accessed 12/04/23.

The Strategy is expected to be finalised at the end of 2023 and will establish policies and programs across the Commonwealth for the next decade to support the first five years of children’s development.

### **Australian Children’s Education & Care Quality Authority (ACECQA)**

ACECQA is the independent national authority that assists governments administering the National Quality Framework (NQF) for children’s education and care. The authority is guided by a governing board whose members are nominated by each state and territory and the Commonwealth. The Board is accountable to Education Ministers.<sup>29</sup>

ACECQA works with Australian state and territory governments to:

- implement changes that benefit children from birth to 13 years of age and their families
- monitor and promote the consistent application of the Education and Care Services National Law across all states and territories
- support the children’s education and care sector to improve quality outcomes for children.

### **National Quality Framework**

The National Quality Framework (NQF) refers to the national system (jointly governed by the Australian Government and State and Territory governments) which aims to raise quality and enable continuous improvement in ECEC. The framework came into effect on 1 January 2012 and consists of the following<sup>30</sup>:

- An applied law system, comprising of the Education and Care Services National Law and the Education and Care Services National Regulations. The law and regulations detail the operational and legal requirements for ECS.
- The National Quality Standard (NQS) – which sets a national benchmark for the quality of services in seven key quality areas that are important to outcomes for children: Education program and practice, children’s health and safety, physical environment, staffing arrangements, relationships with children, collaborative partnerships with families and communities, as well as governance and leadership.
- An assessment and quality rating process, whereby services are assessed by a regulatory authority against the NQS and given a rating for each of the seven quality areas, as well as an overall rating.
- Nationally approved learning frameworks that recognise children learn from birth. ECS are required to base their educational program on an approved learning framework, which are:
  - Belonging, Being and Becoming: The Early Years Learning Framework for Australia (‘Early Years Learning Framework’)

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<sup>29</sup> ACECQA (n.d) ‘[About Us](#).’

<sup>30</sup> ACECQA, 2020, ‘[Guide to the National Quality Framework](#)’

- My Time, Our Place: Framework for School Age Care in Australia (‘Framework for School Age Care’)
- A regulatory authority in each state and territory responsible for the approval, monitoring and quality assessment of services in their state and territory. In most cases, the regulatory authority is the first point of contact for providers.<sup>31</sup> Regulatory authorities also have a range of powers to ensure compliance with the NQF and to facilitate continuous quality improvement. This includes the power to obtain information, documents, and evidence by notice, the emergency removal of children, and delegating powers to authorised officers to carry out further functions under the National Law.<sup>32</sup>
- A national body – ACECQA, a statutory authority which guides the implementation and administration of the NQF to promote consistency across all states and territories. ACECQA approves qualifications for those who work in child education and care services and works with regulatory authorities.

### **Productivity Commission Report on Government Services 2023**

The Australian Government’s Productivity Commission releases the annual Report on Government Services (RoGS) to provide information on the effectiveness and efficiency of government services in Australia. Section 3 of the report provides an overview of the early childhood education and care (ECEC) in Australia. The mid-year update released in June 2023 released some key facts about ECEC services including:

- The total Australian, state and territory government recurrent and capital expenditure on ECEC services was \$12.9 billion in 2021-22, an increase of 1.5% from 2021-22.
- Australian government expenditure accounted for \$10.3 billion (79.7%) and state and territory government expenditure \$2.6 billion, with preschool services accounting for 85.4% of the state and territory government expenditure.
- In 2022, there were 12,999 ECEC services in Australia delivering pre-school programs. Of these services, 66.8% were delivered from centre-based day care and the remainder were delivered from stand-alone preschool services or pre-school services attached to a school.
- Also in 2022, there were 13,993 Australian Government Child Care Subsidy (CCS) approved child care services in Australia. Some child care services did not received Australian government funding and are funded by state/territory governments or do not receive government funding at all.<sup>33</sup>

### **NDIS Early Childhood Approach**

The National Disability Insurance Scheme (NDIS) includes an Early Childhood Approach which supports children younger than 6 with developmental delay or children younger than 9 with disability and their families to access the right support when they need it. The approach supports best practice in early childhood intervention because it helps the child

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<sup>31</sup> ACECQA, n.d., [‘Contact your regulatory authority’](#).

<sup>32</sup> ACECQA, 2018, [‘Regulatory Authority Powers.’](#)

<sup>33</sup> Australian Government Productivity Commission (2023), [‘Report on Government Services 2023: Early Childhood Education and Care.’](#)



and family to build capacity and supports greater inclusion in community and everyday settings, meaning each child is provided with opportunities to learn and grow. In many areas of Australia, early childhood partners (which are local organisations funded by the NDIS) help children and their families by delivering the early childhood approach. It is also important to note that the NDIS also supports over the age of 9 through local area coordination partners, working with families to understand their child's needs and connecting them to mainstream and community supports in their area.<sup>34</sup>

## 2.4.2 NSW Government

### Brighter Beginnings

Brighter Beginnings is a whole-of-government initiative designed to give children the best start in life by providing parents and families with the right information at the right time, improved universal services, and targeted support.

Starting in 2023, Brighter Beginnings is a \$376.5 million commitment over 4 years for investments led by the Department of Education, NSW Health and Department of Communities and Justice, with the support of the Department of Customer Service and other agencies.

The key target group is NSW children aged 0-5.

The initiative is founded on the principle that the first 2000 days of a child's life set the stage for their lifelong health, wellbeing and learning. The brain develops more rapidly, and we learn faster at this critical time than any other in our lives – with positive connections and experiences laying the foundations for a bright future.<sup>35</sup>

### First Steps – the NSW Aboriginal Children's Early Childhood Education Strategy 2021-2025

The NSW Department of Education is committed to ensuring that all Aboriginal children in NSW can access quality ECE and are supported with culturally appropriate tools and resources to ensure their culture and identity is a central part of their early education.

The Strategy encompasses a five-year plan that identifies key action to deliver the best educational outcomes possible for Aboriginal children aged 0-5. The First Steps Strategy has been developed in consultation with members of the NSW Department of Education's Early Childhood Education Aboriginal Advisory Group. The Strategy outlines three key goals:

1. **Child.** All Aboriginal children and their families are supported to enroll in quality culturally inclusive ECE.
2. **Family and kinship.** All Aboriginal families and children feel respected in ECE services as their culture is celebrated and nourished.

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<sup>34</sup> NDIS (2023) '[The early childhood approach for children younger than 9.](#)'

<sup>35</sup> NSW Department of Education (n.d.) '[Give your child the best start in life.](#)'

3. **Learning.** Aboriginal children are provided access to ECE that drives stronger outcomes through strengths-based approaches and all children have a sense of pride in Aboriginal people, cultures and histories in NSW.

To meet the broader goals of the strategy, the Department has outlined a number of expected targets in the initial stages of implementation, including the following:

- 95% of Aboriginal children will be enrolled in the year before school starts by 2025
- 50% of Aboriginal children in ECE will have access to an Aboriginal language program by 2025
- 55% of Aboriginal Children will be assessed as developmentally on track in all five domains of the Australian Early Development Census by 2031.<sup>36</sup>

### **Childcare and Economic Opportunity Fund**

NSW Department of Education has established the Childcare and Economic Opportunity Fund to boost access to and affordability of ECEC services for NSW families and children over the next 10 years. The Fund aims to increase participation in the State's workforce, particularly for women, by making quality childcare more affordable and accessible.

To achieve this, the Fund will focus on reducing barriers to parents and carers participating in work; improving affordability and accessibility of childcare and; supporting the early childhood education and care workforce and sector.<sup>37</sup>

### **Other Educational Programs and Supports**

The NSW Department of Education provides a number of grants and funded programs to support ECEC services across the state.

### **NSW Health Initiatives**

NSW Health provides a range of support services to ECEC programs across NSW. The support is administered via the Local Health Districts (LHD) within LGAs. The following outlines the current priority initiatives of NSW Health for children in the early childhood stage of development, and their families.

#### **Statewide Eyesight Preschooler Screening (StEPS)**

The StEPS program is a NSW Health initiative to offer free vision screening for all children in the state aged 4 years old. The intention of the program is to ensure that all children have their vision screened before they start school. LHD representatives visit preschools and child care centres to offer the vision screening.

#### **Munch and Move Program**

NSW Health has designed specific resources as part of a wider program to support healthy eating and physical activity in ECEC services. The resources are

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<sup>36</sup> NSW Department of Education (n.d.) '[First Steps – the NSW Children's Early Childhood Education Strategy 2021 – 2025.](#)'

<sup>37</sup> NSW Department of Education (n.d.), '[Childcare and Economic Opportunity Fund.](#)'

available to ECEC organisations and facilitators online, with options for Aboriginal and Torres Strait Islander cultural materials, and additional support from LHDs.

### **Out of School Hours Care (OOSH)**

OOSH care centres provide care for primary aged children before and after school and in the holidays. [Various resources](#) have been developed by NSW Health to support OOSH centres to encourage healthy eating and active play.

### **Other Health Programs and Supports**

In addition to LHD support for children and their families, NSW Health has a range of [resources](#) online to assist parents in navigating early childhood development and health milestones from the ages of 0-5.

## **2.4.3 Other State Government responses**

The Government of South Australia (SA) established a Royal Commission into Early Childhood Education and Care (ECEC) on 16 October 2022. The Royal Commission, led by Commissioner Hon Julia Gillard AC, was tasked to examine the support available for SA families in the first 1000 days of a child's life. It also looked at how the state can deliver universal preschool by 2026, provide better access to out of school hours care (OSHC) and increase workforce participation through improved access to childcare, including in rural and remote areas. The Royal Commission's final report, released in August 2023, contains 43 recommendations and details an ambitious vision for the future of ECEC in SA.

The SA Government has immediately accepted 13 of the report's recommendations, including a nation-leading program that would see 30 hours of preschool a week for children with the greatest risk of developmental vulnerability. It has also committed to a 20-year goal of reducing the number of SA children who are developmentally vulnerable in one or more areas from 23.8% to 15%, as well as expanding the availability of OHS, including in preschools.<sup>38</sup>

## **2.4.4 Local Government**

Across NSW, local government are reported to operate more than 300 ECEC services.<sup>39</sup>

Figures arising from the UTS's 2023 research on ECS as defined in Section 1 of this report are described in Section 4 of this report.

## **2.4.5 Philanthropy and other Contributions**

The role of the not-for-profit and private sector in delivering ECEC services in Australia is significant. Of all ECEC services provided in Australia, private for-profit service providers account for 51% of the total number of providers across Australia. Private not-for-profit community managed services account for 20% and private not-for-profit 'other' organisations make up 13%. These statistics, captured from the National Quality

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<sup>38</sup> Government of South Australia (2023). ['Royal Commission into Early Childhood Education and Care Report'](#).

<sup>39</sup> Local Government NSW, n.d., ['Children and Youth.'](#)

Framework (NQF) database in 2023, show that private for-profit ECEC services provide the majority of early childhood development learning support and services across Australia.<sup>40</sup> The following provides a summary of some of the key not-for-profit and private organisations supporting the delivery of ECEC services in Australia.

There is a diverse range of not-for-profit organisations delivering ECS. One of the largest providers is Goodstart, with over 660 centres nationwide. In, 2009 numerous community sector organisations – The Benevolent Society, Mission Australia, the Brotherhood of St Laurence and Social Ventures Australia collaborated to form Goodstart. It now administers care for 60,000 children.<sup>41</sup> Another large not-for-profit organisation is KU, founded in 1895. It operates over 130 early childhood services and programs, with more than 10,000 children attending per year.<sup>42</sup>

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<sup>40</sup> Australian Children's Education & Care Quality Authority (2023), '[National Quality Framework Snapshot: Q4 2022](#)', p. 8.

<sup>41</sup> Goodstart (n.d.), '[The Goodstart Story](#)'.

<sup>42</sup> KU (n.d.), '[The KU Difference](#)'.

## 3 Overview of Local Government and Early Childhood Services

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*This section provides an overview of local government and ECS in NSW, including a profile of councils in NSW, the history and roles of ECS, and current policy and service profile settings.*

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### 3.1 Current Service Profile and Trends

The 2023 NQF Snapshot highlights<sup>43</sup>:

- In Australia, there are 17,278 services approved to operate under the NQF,
- 16,758 quality rating reassessments completed as of 2023,
- 89% of services have a quality rating of meeting NQS or above (13,934), and,
- 68% of services rated 'Working Towards NQS' improved their overall quality rating at reassessment.

As for NSW, there are a total of 5,892 approved services in total, composed of:

- 3,430 long day care centres (58.2% of the total),
- 1,578 outside school hours care (26.8%),
- 756 preschools/kindergartens (12.8%), and,
- 128 family day cares (2.2%).

### 3.2 Profile of Councils in NSW

The Office of Local Government NSW (OLG) have classified the 128 councils in NSW into five types as follows:

- Large rural (42)
- Regional town/city (37)
- Metropolitan (25)
- Rural (15)
- Metropolitan fringe (9)<sup>44</sup>.

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<sup>43</sup> ACECQA, 2023, '[NQF Snapshot](#)'.

<sup>44</sup> Your Council NSW, 2020

## 3.3 Growth of ECS

### 3.3.1 Brief History

ECS has evolved in Australia over the last century and a half, commencing with informal home-based care, through to the establishment of more formal institutions - often referred to as infant schools or kindergartens - for children aged 3 to 7 years, run by either local government, philanthropic organisations, or community groups.

While local government had a long history in providing ECS across many parts of Australia, in 1937 its role was strengthened with amendments to the NSW Local Government Act (1919) to allow councils to subsidise kindergartens and nurseries.<sup>45</sup>

In the 1970s, ECS underwent a major expansion of women entering the labour market and the Labor Whitlam Government introducing a national Universal Access to Pre-school Program which aimed to provide families with better access to ECEC for their infants and young children prior to their entering formal schooling at ages 4-6 years. In 2013, this was replaced by the Universal Access to Early Learning Program designed to provide children with access to 15 hours of pre-school education per week in the year before starting school proper.

In the 1980s and 90s there was increased government intervention in ECS with the widespread introduction of regulations and quality standards, to better ensure the safety and also quality of education, development and care supports provided.

In the early 2000s, the Australian Government introduced the Child Care Rebate (CCR) and Child Care Benefit (CCB) to assist families with the cost of childcare. These subsidies were specifically aimed at working families on lower socio-economic income to ensure child care remained accessible. In 2018, the Child Care Subsidy (CCS) replaced the CCR and CCB, including a sliding means-tested subsidy system.

In the 2023-2024 Budget statement, the Government announced an increase in the maximum subsidy rate, which will reduce the cost of ECS for CCS eligible families. This measure lifts the maximum CCS rate from 85% to 90% for families earning up to \$80,000 per year and removes the annual cap on the amount of CCS that can be paid for families with incomes above \$189,390.<sup>46</sup>

The revision, effective as of 10 July 2023, also introduces a base level of CCS entitlement of up to 36 hours per fortnight for First Nations children.<sup>47</sup>

In addition to paid parental leave<sup>48</sup>, another key national reform, was the 2012 introduction of the National Quality Framework to provide consistent standards in the

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<sup>45</sup> LGNSW, 2023a

<sup>46</sup> Services Australia, 2022, '[Budget October 2022-23 Plan for Cheaper Child Care](#)'.

<sup>47</sup> Services Australia, 2023, '[Changes if you get family payments](#)'.

<sup>48</sup> Paid parental leave was first introduced nationally in Australia in 2011, providing eligible working parents with two payments – Parental Leave Pay and Dad and Partner Pay. Under this scheme, the primary parent (usually the birth mother) is eligible for up to 18 weeks of pay, whereas Dad and Partner pay provides eligible working dads or partners with up to two weeks' pay at the rate of the national minimum wage.<sup>48</sup>

provision of ECEC across Australia. As detailed below, these have evolved over the years and still provide the basis for ECS provision.

There have also been important reforms related to working in ECS. In 2000 the NSW Government first introduced its Working with Children Check (WWCC) scheme. It involves a National Police Check to review potential criminal history records, and a review of reportable workplace misconduct.<sup>49</sup>

Since then, changes made to laws in 2022 has established a national database of people barred from working with children, known as the National Reference System.<sup>50</sup> Now, all applicants and current holders of a WWCC will be continuously screened at a national level, as opposed to states and territories maintaining their own separate databases of barred people.

### **3.3.2 ECS and the Role of Local Government**

While local governments across Australia have a very long history of involvement in providing ECS, today they play a critical role in their ongoing delivery at the local level, even when not a direct service provider. These non-service provision roles include, though are not limited to:

- Land use planning and zoning, related to their own services and/or to facilitate new or upgraded ECS offered by private or not-for profit providers in their LGA. These decisions including deliberations and regulation of parking and traffic management issues, often critical to the safe and viable running of any service.
- Redevelopment or leasing of council own premises and land, often part of local masterplans or broader community infrastructure planning
- Regulation and compliance issues, including its own and other ECS meeting mandated health, safety and other regulatory standards.
- Policy development, advocacy and service coordination on behalf of local families and young children usually through nominated positions, such as a Director of Children’s Services (or Children and Family Services) in larger councils, or a Director or Manager of Community Services or equivalent in smaller councils.

These senior council positions, and their staff are often active in ensuring council’s key strategic planning instruments - such as its 10 year+ Community Strategic Plan, its four year Delivery Program and one year Operations Plan - have adequate focus and resourcing to support local families with young children, as well as facilitating a wide range of early children programs, services and activities across the LGA including those run through local health centres, in libraries, in arts and cultural areas and in events programs

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Since 1 July 2023, Parental Leave Pay and Dad and Partner Pay have been combined into one payment and has increased from up to 18 weeks to 20 weeks. This change encourages both parents to manage care arrangements and allows both to share Parental Leave Pay.<sup>48</sup>

<sup>49</sup> Service NSW, 2023, [‘Apply for a Working with Children Check’](#).

<sup>50</sup> NSW Office of the Children’s Guardian, 2022, [‘New Working with Children Check laws now in force will create further protections for children’](#).

- Information, community directories and advice services to assist local families to learn about and access available ECS in their local area.

While over recent decades many NSW councils have either downsized or exited the direct provision of ECS in their LGA, as at June 2023, 64 councils (exactly half) currently deliver one or more forms of ECS. These include long day care, family day care, occasional care, preschools, playgroups, vacation care and outside-of-school hours care.<sup>51</sup> Section 5 of this report provides details of each of these, together with an important mapping information.

## 3.4 Major Policy Settings

### 3.4.1 National Quality Framework

See Section 2.4.1 for details.

### 3.4.2 Child Safe Standards

The Royal Commission into Institutional Responses to Child Sexual Abuse presented a final report to the Governor-General in 2017, containing 17 volumes and 409 recommendations.<sup>52</sup> Drawing on the research of the Royal Commission, a key outcome of these findings has been the subsequent adoption of the 10 Child Safe Standards and ensuing legislation in NSW.

The Standards provide a benchmark against which councils can assess their child safe capacity and set performance targets. The Standards also provides councils with tangible guidance to create a child safe culture, adopt strategies, and put the interests of children first, to keep them safe from harm.<sup>53</sup>

The Standards are listed below:

1. Child safety is embedded in organisational leadership, governance and culture.
2. Children participate in decisions affecting them and are taken seriously.
3. Families and communities are informed and involved.
4. Equity is upheld and diverse needs are taken into account.
5. People working with children are suitable and supported.
6. Processes to respond to complaints of child abuse are child-focused.
7. Staff are equipped with the knowledge, skills, and awareness to keep children safe through continual education and training.
8. Physical and online environments minimise the opportunity for abuse to occur.
9. Implementation of the Child Safe Standards is continuously reviewed and improved.
10. Policies and procedures document how the organisation is child safe.

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<sup>51</sup> LGNSW, 2023a

<sup>52</sup> LGNSW, n.d., '[Child Protection and Child Safe Organisations](#).'

<sup>53</sup> NSW Department of Education, 2020, '[Child Safe Standards](#)'.



As local governments provide spaces and services which children access, they are hence required to implement the 10 Child Safe Standards, to ensure that all councils are child safe institutions.

## 4 Profile of Local Government ECS— Quantitative Findings

*This section contains the results of council’s census survey results and the UTS team analysis. It includes the consolidated results of the census survey instrument as described at Section 1.*

### 4.1 About the Data

#### 4.1.1 Database development

The development of the UTS Local Government ECS census and database involved a three-stage approach:

1. A desktop review of ECS council services. Through this process, 60 councils were found to deliver ECS.
2. A tailored, pre-populated survey (based on the desktop review) was sent all NSW councils seeking detailed information about the ECS they provide. Note: All 128 councils were sent a survey, regardless of results of Step 1 above.  
  
62 councils responded to the census, representing a 48% response rate. All responding councils indicated they delivered ECS.
3. The responses of the census survey were then cross-checked against the desktop review with the following results:
  - 59 councils confirmed in their survey response that they did provide ECS broadly consistent with the desktop review.
  - 3 councils that indicated they did provide ECS in their survey responses (Glenn Innes Severn, Greater Hume and Lachlan Councils) had not been identified as providing services through the desktop review.
  - 1 council (Liverpool Plains Shire Council) which was identified in the desktop review as providing ECS, did not respond to the survey.

Following this verification process, UTS concluded that, with one exception, the councils which did not respond to the survey do not deliver ECS.

For completeness, Liverpool Plains Shire Council has been added to the census database as providing ECS based on the information available online, and confirmed through a telephone call. Consequently, the analysis following is reliable and representative of all ECS delivered by local government in NSW as of June 2023.

### About this Section:

- **All of the following data is drawn from the IPPG:CLG Local Government ECS database that has been submitted as a companion document to this report.**
- **Percentages refers to all councils in NSW (128), unless otherwise noted.**
- **All maps are from the IPPG:CLG companion PowerBI dashboards.**

#### 4.1.2 Terminology and classifications

The data collection and analysis of NSW local government ECS had a specific focus on formal child care models for those aged 0-6 years. This encompassed the following ECS types:

- Preschools
- Long Day Care
- Family Day Care
- Occasional Care
- 'Other', which generally referenced library story time programs and play groups.<sup>54</sup>

The findings also includes analysis of services targeted to older children, and specifically:

- Vacation Care
- Out of School Hours (OOSH) services.

For the purpose of data analysis, the above categories of ECS were classified into three categories:

- Centre-based care – comprising Preschools, Long Day Care and Occasional Care
- Home-based care – comprising Family Day Care
- Outside school hours care – comprising OOSH services and vacation care, plus 'other' where relevant, with definitions provided.

In addition, some analysis has been undertaken comparing data related to:

- 'School hours' services – comprising both Centre-based school hours care, Home-based care and Family Day Care.
- 'Outside school hours' services as defined above.

As councils generally provide more than one ECS type, they will appear in more than one category of service.

For further breakdowns of the data, readers are referred to the full datasets in the companion Excel spreadsheets.

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<sup>54</sup> It should be noted that while the census survey did asked councils to list other types of services for the 0-6 age group, responses were too limited to be a major feature of the analysis as noted in Section 1.3.2. As such, the majority of data included under the 'other' category following is drawn from the UTS desktop review.

### 4.1.3 Current Analysis

The following analysis has been conducted for this report:

- **Service coverage** – the extent to which local government provides different types of ECS.
- **Supply** - the Census survey asked councils to identify:
  - a) number of daily places in each Centre-based ECS
  - b) number of enrolments in each Centre-based ECS per annum.

However, the data reported was incomplete, with 78 out of 207 Centre-based services including data on enrolments (38%).

For this reason, this report has used daily places as an indicator of supply, as only a small fraction (5% or 10 Centre-based services) not providing data for this metric. Importantly, the 10 centres which did not report daily places, reported enrolments. In order to calculate a comparable daily places figure, IPPG:CLG calculated an estimate based on a ratio of two enrolments per place. This ratio was derived from averaging rates for other Centre-based ECS where both enrolments and places data were available.

- **Demand pressure** – examining the extent to which council ECS are running at capacity.
- **Priority groups** – presenting data related to Aboriginal and Torres Strait Islander communities, CALD communities, and children with disability or additional needs.

The analysis following is presented along four perspectives:

- Overall findings.
- By DCJ District.
- By geographical classification (i.e. metropolitan vs rural).
- By socio-economic disadvantage (using the SEIFA Index).

It is recommended that the Department carefully note the above data assumptions and interpretations, particularly if using figures for comparative purposes with other data sets.

Readers are referred to the companion Excel database and PowerBi dashboards for more detailed information, particularly at LGA or service-type levels.

## 4.2 Local Government ECS landscape in NSW

### 4.2.1 Service Coverage

As at June 2023, Councils in NSW run 315 ECS formal services, as well as an additional 79 'other' services, including story time programs and playgroups. Of these 315 services, 207 are centre-based services.

Of all councils in NSW (128) 64 councils (precisely 50%) provide ECS:

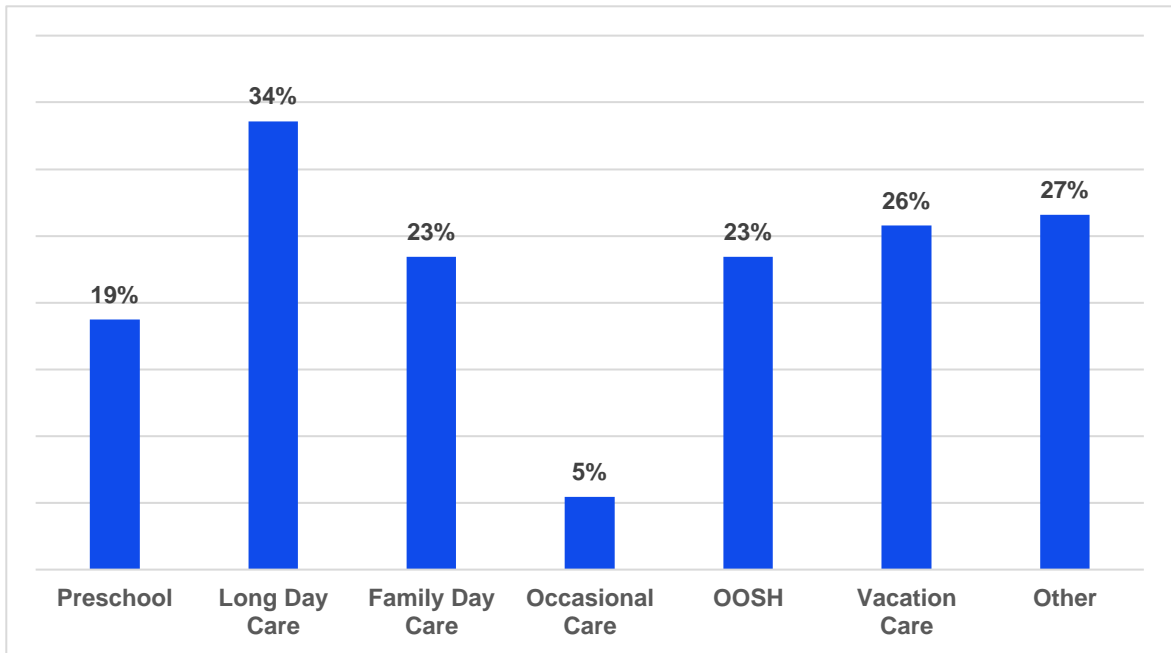
- 24 councils (19% of all NSW Councils) provide Preschools, with 42 Council-run preschools recorded across NSW
- 43 councils (34%) provide Long Day Care, with 168 Long Day Care Centres across NSW
- 33 councils (26%) provide a Vacation Care service
- 30 different councils (23%) provide:
  - Family Day Care
  - OOSH service
- 7 councils (5%) provide an Occasional Care service
- 35 councils (27%) provide 'Other' ECS services with:
  - 18 councils (14%) offering play groups
  - 16 councils (13%) offering library story time programs
  - plus various other options (likely to be significantly under-reported) such as:
    - parenting/ mum and baby programs (7 councils)
    - toy libraries (4 councils)
    - mobile children's services (3 councils)
    - miscellaneous others (5 councils)<sup>55</sup>.

Figure 6 shows the percentage of councils providing each type of ECS service.

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<sup>55</sup> These include services described paint /crafts programs (2), nature program (1), non-library literacy initiative (1), and a learn to swim program (1).

**Figure 6: Percentage of all NSW councils providing ECS by service type**



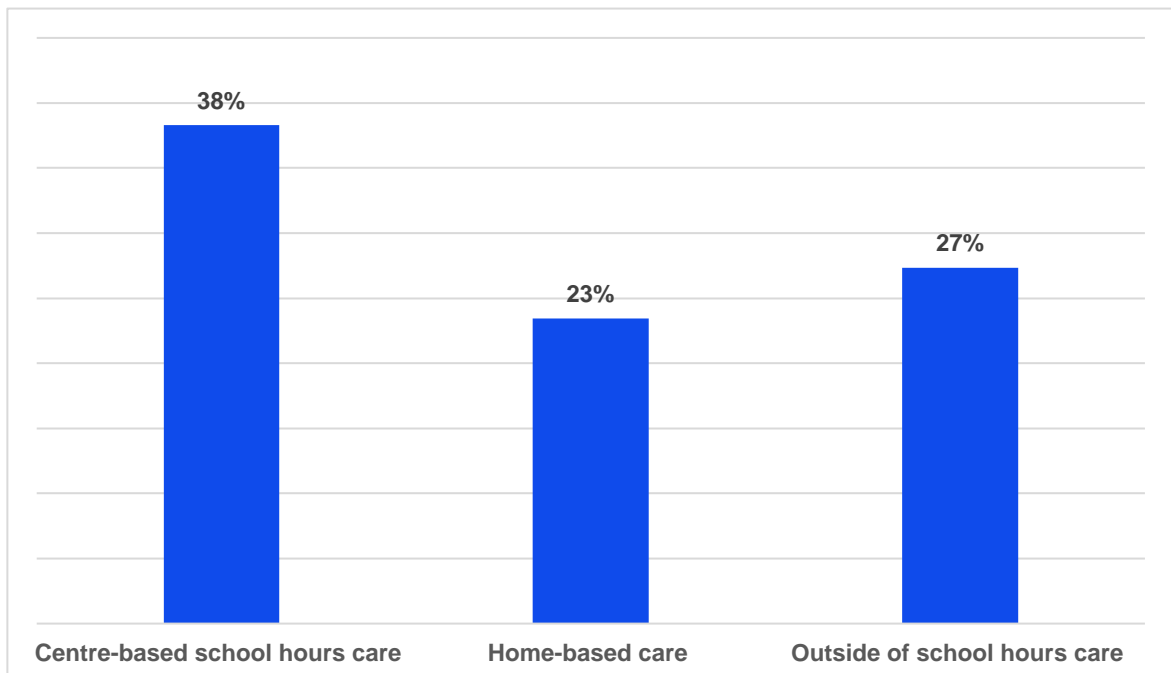
Source: IPPG:CLG Local Government ECS Census Survey Results, June 2023.

Overall:

- 49 councils (38%) provide school hours care across 207 centre-based ECS across NSW.
- 30 councils (23%) provide a home-based care service.
- 35 councils (27%) provide outside of school hours care.

Figure 7 shows the percentage of councils providing each category of ECS.

**Figure 7: Percentage of all NSW councils providing ECS by service categories**

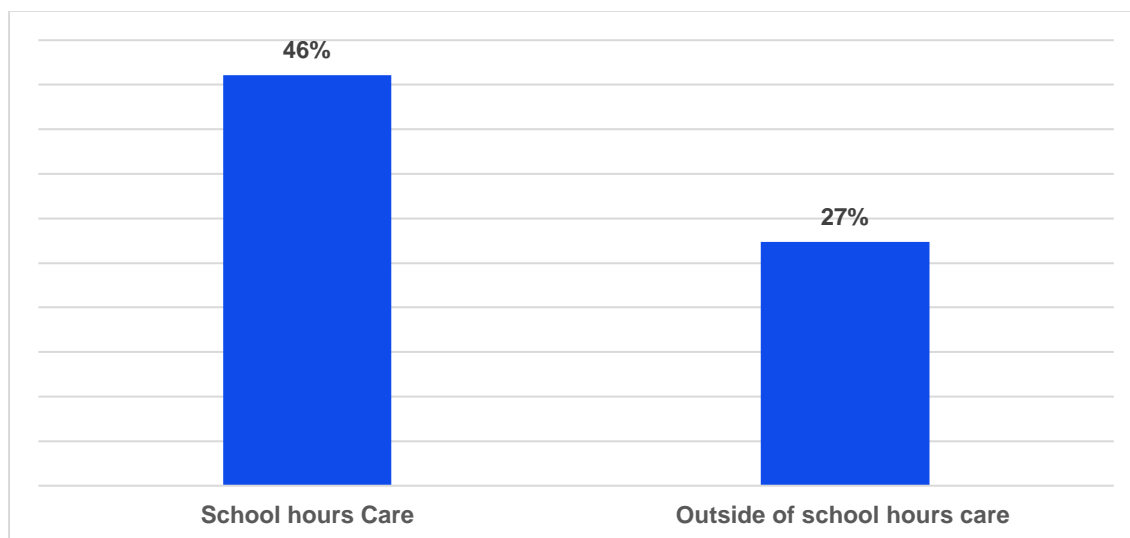


Source: IPPG:CLG Local Government ECS Census Survey Results, June 2023. As defined in Section 4.1.2, these categories are defined as follows:

- *Centre-based care – comprising Preschools, Long Day Care and Occasional Care*
- *Home-based care – comprising Family Day Care*
- *Outside school hours care – comprising OOSH services and vacation care.*

Figure 8 shows the percentage of councils providing ECS divided into two service categories (see definitions in Section 4.1.2). The figure shows that 46% of councils (n=59) provide school hours care, while 27% of councils (n=35) provide outside of school care.

**Figure 8: Percentage of all NSW councils providing ECS by service categories**



Source: IPPG:CLG Local Government ECS Census Survey Results, June 2023. As defined in Section 4.1.2, these are defined as follows:

- *'School hours' services – comprising both centre-based school hours care and home-based care and Family Day Care.*
- *'Outside school hours' services comprising OOSH services and vacation care.*

### Summary of key findings

The Census found that half of councils in NSW provide some type of ECS. Long Day Care had the highest level of council ECS provision, with around one third of councils providing this service. Family Day Care, vacation care and OOSH services were provided by around a quarter of councils. Of all the councils providing ECS, 46% provided school hours care, 27% provide outside of school hours care and 38% of councils deliver centre-based care. Additionally, 27% of councils provide other ECD services such as library story time programs and play groups.

### 4.2.2 ECS Supply and Demand Pressure

The census found that across NSW, local government operates 9,893 daily places for school hours care. On average, local government delivers 15 daily centre-based ECS places per 1,000 children. Figure 9 and Figure 10 shows the spatial distribution of council-run ECS across NSW and in Sydney metro respectively. In general, ECS seemed to be more concentrated in metropolitan areas than rural and regional areas of NSW.

Figure 9: Regional map of all NSW councils that provide ECS, excluding 'other' services

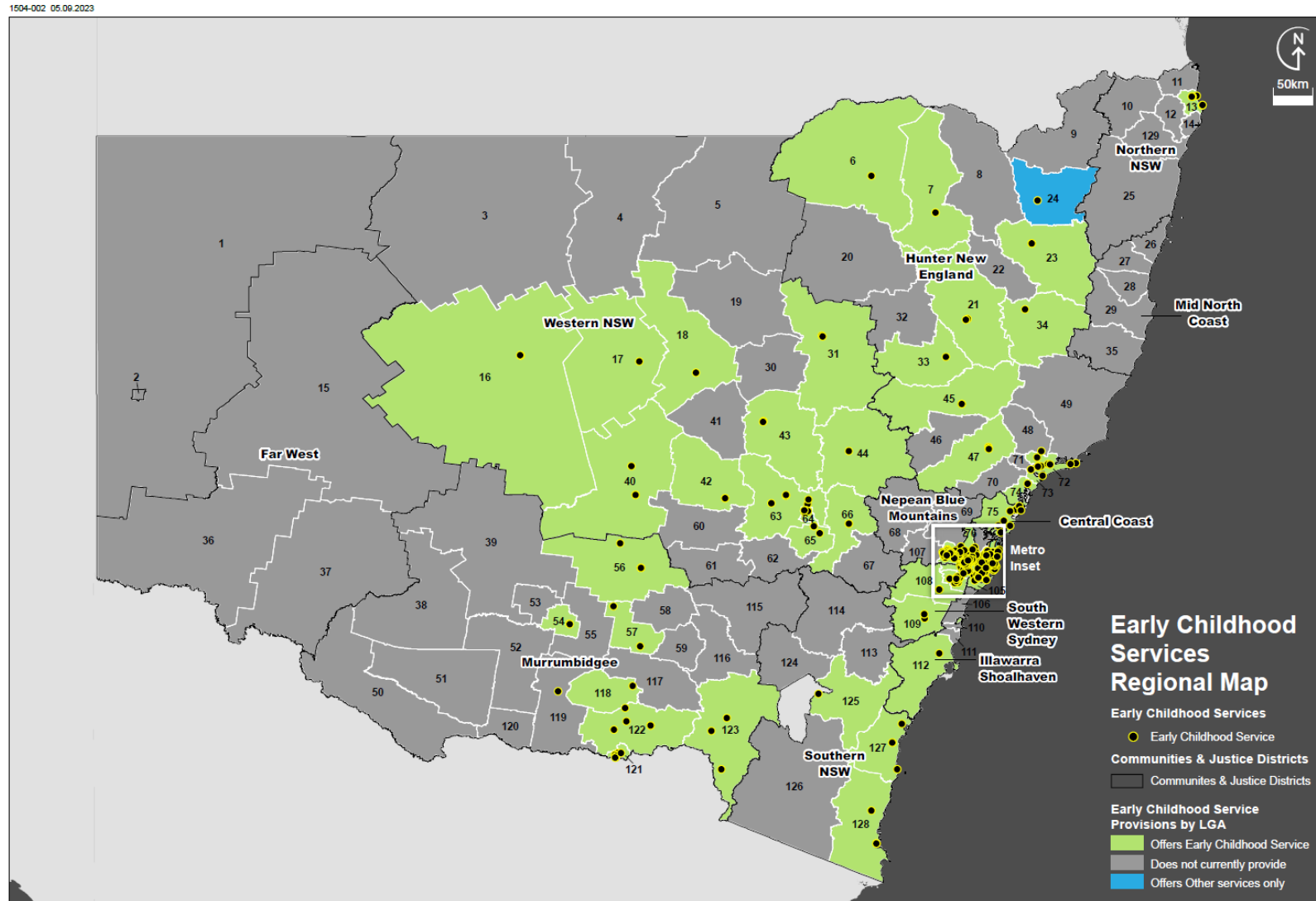
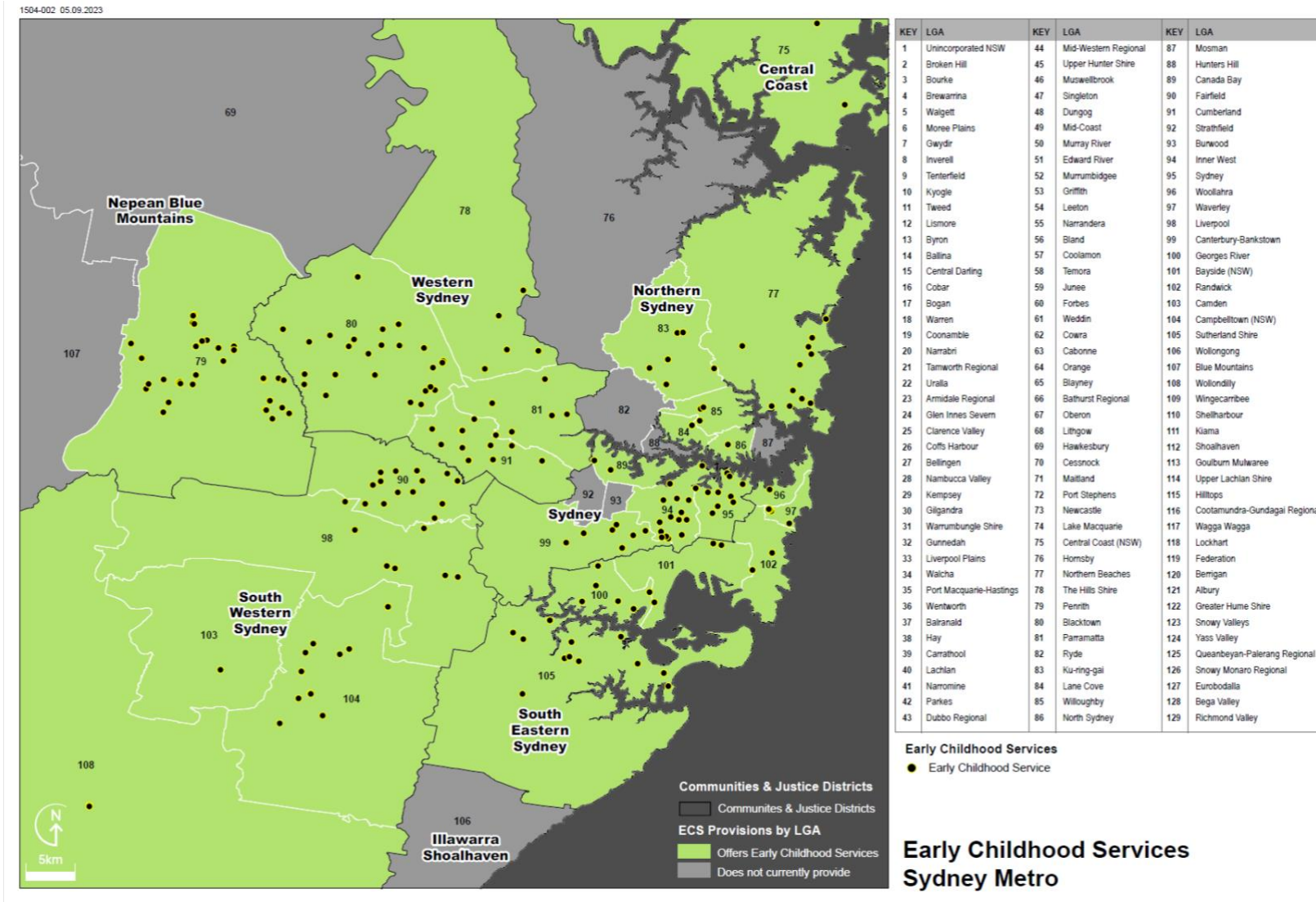




Figure 10: Sydney Metropolitan map of NSW councils that provide ECS, excluding ‘other’ services

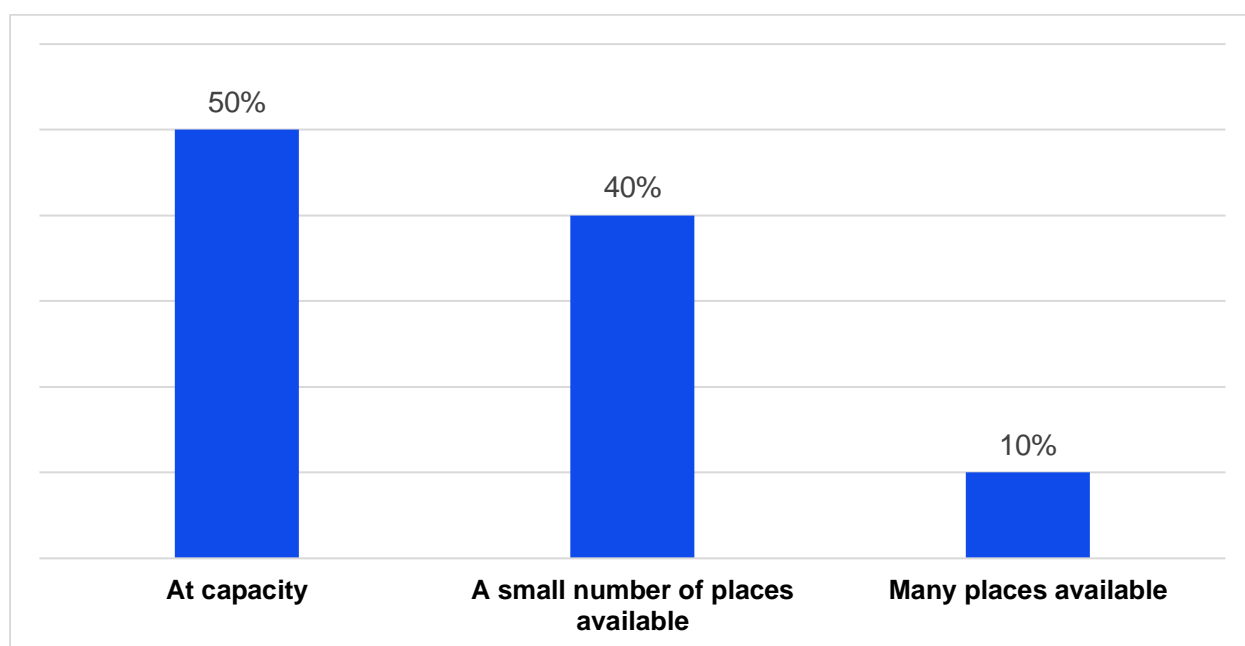


Councils that offered ECS were asked about the enrolment level of their services. For centre-based services, 63% of services responded to this question, as follows:

- 50% of centres indicated they were running at capacity.
- 40% of centres indicated they had a small number of places available.
- 10% of centres indicated, they had many places available.

Figure 11 shows the percentage of councils for each demand pressure category.

**Figure 11: NSW Councils with ECS: Reported centre-based ECS demand pressure**



Source: IPPG:CLG Local Government ECS Census Survey Results, June 2023.

### **Summary of key findings**

*The census found across NSW, local government operates 9,893 daily places for school hours care. For centre-based services, half of respondents reported they were running at capacity, with only 10% indicating that they had many places available.*

## **4.2.3 Priority Groups**

### **4.2.3.1 Aboriginal and Torres Strait Islander communities**

No councils providing ECS reported they offered Aboriginal language programs. Further, only 3 Councils with ECS (5%) reported offering dedicated programs for Aboriginal children. (See Figure 12 and Figure 13 to see the spatial distribution of these programs).

### **4.2.3.2 CALD Communities**

Only 2 councils (3%) providing ECS reported offering programs targeting CALD communities. (See Figure 14 and Figure 15 to see the spatial distribution of these programs).

Figure 12: Regional map of NSW council ECS with dedicated program for Aboriginal and Torres Strait Islander children

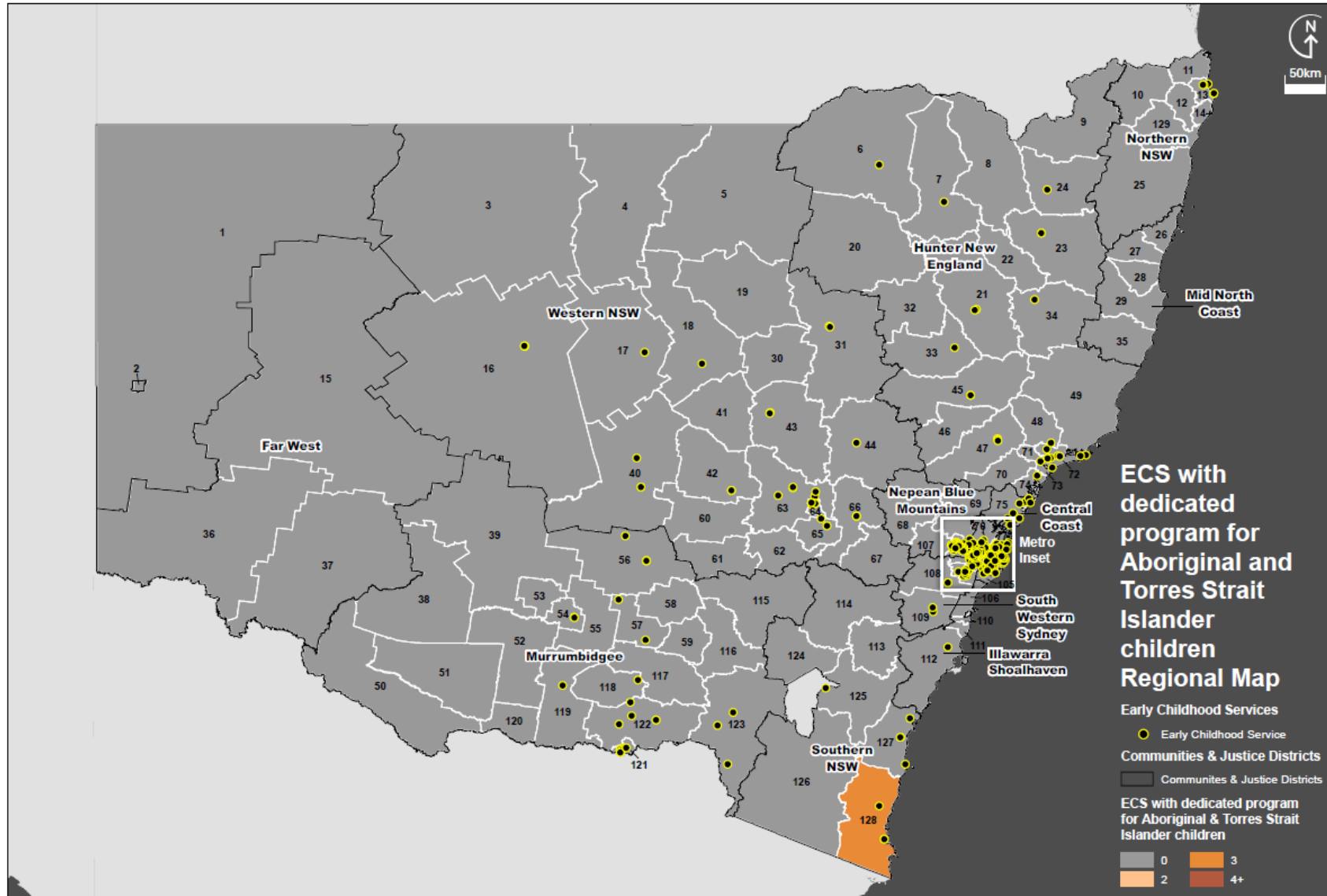


Figure 13: Sydney metropolitan map of NSW council ECS with dedicated programs for Aboriginal and Torres Strait Islander children

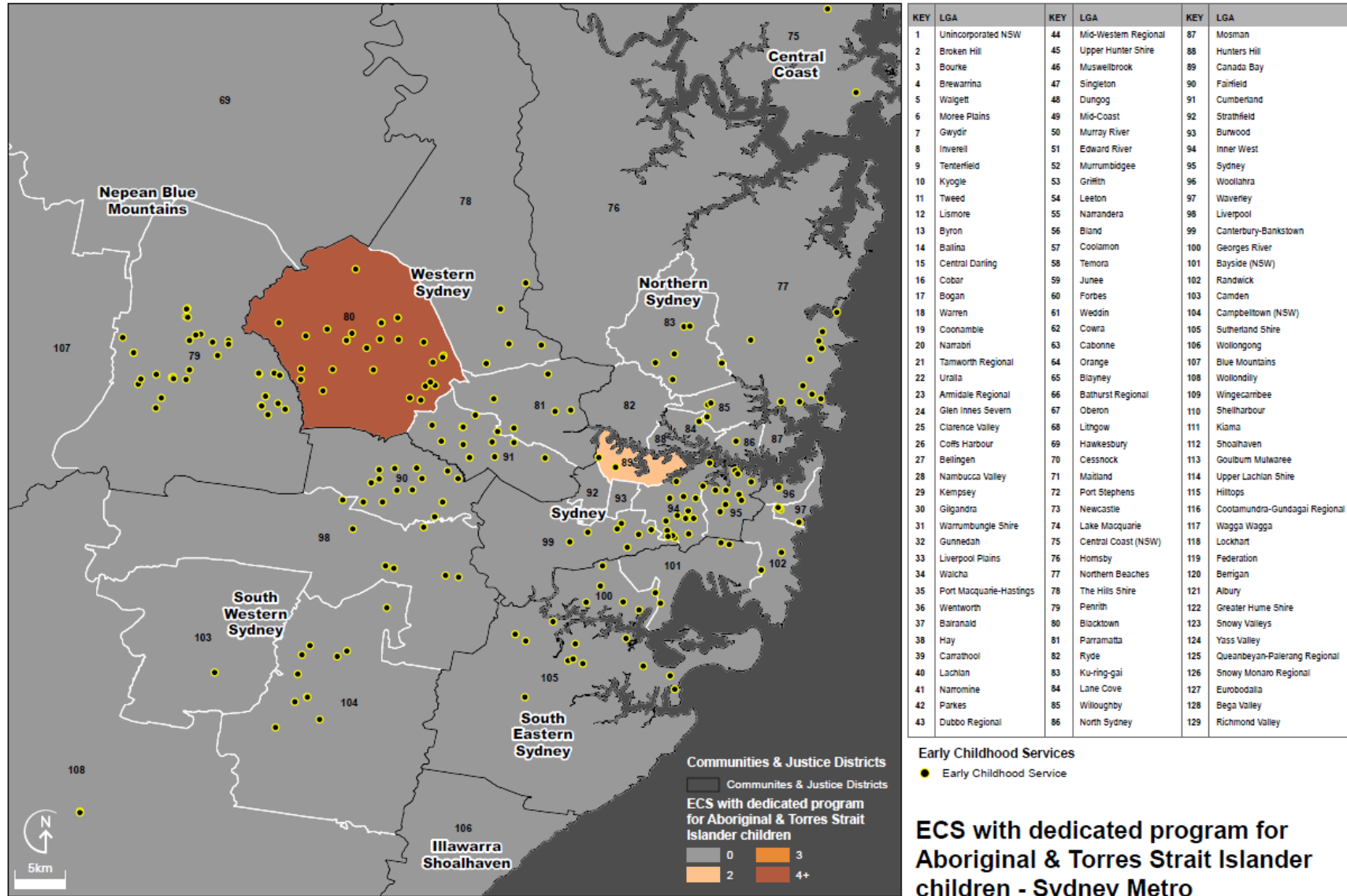


Figure 14: Regional map of NSW council ECS with dedicated programs for CALD children

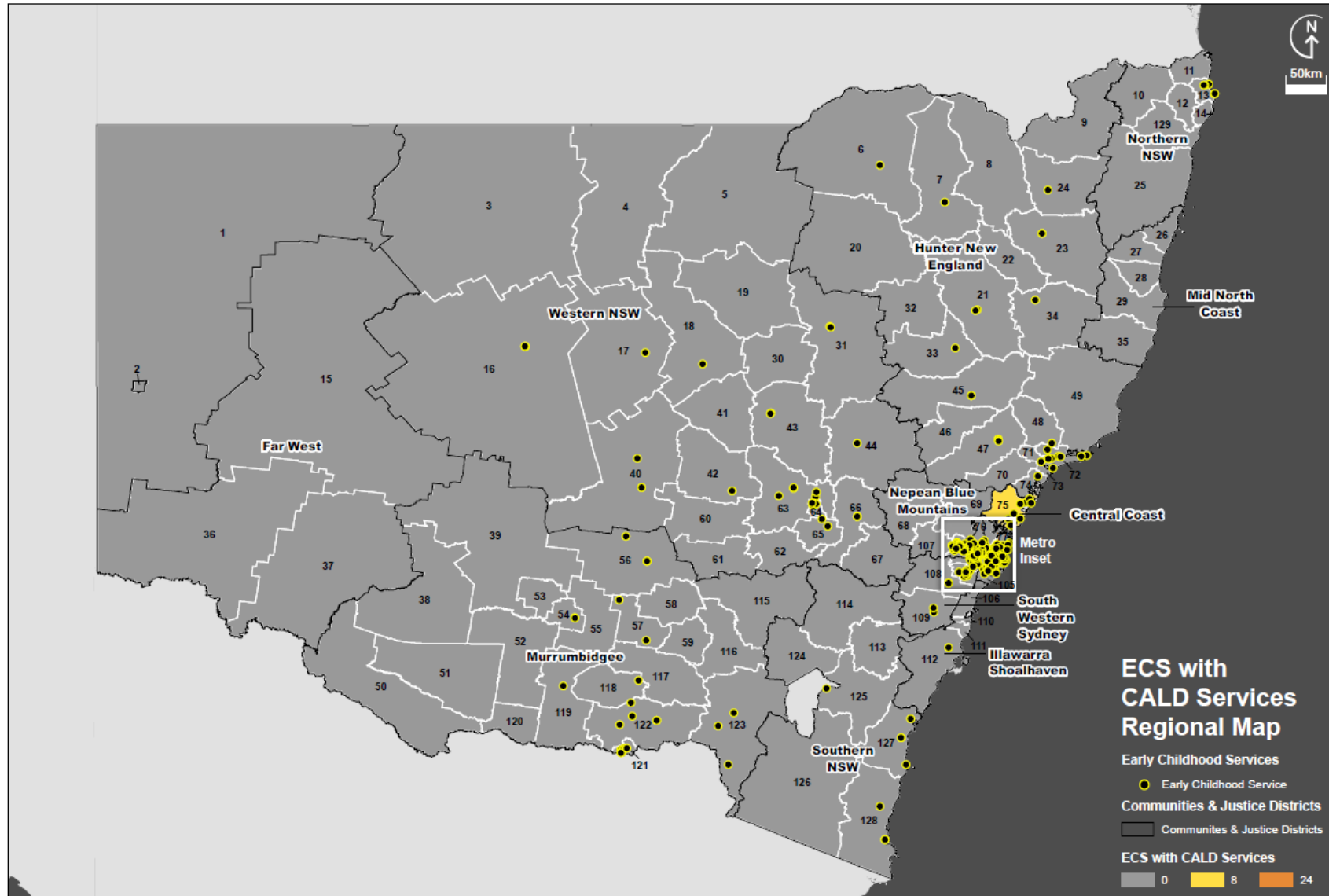
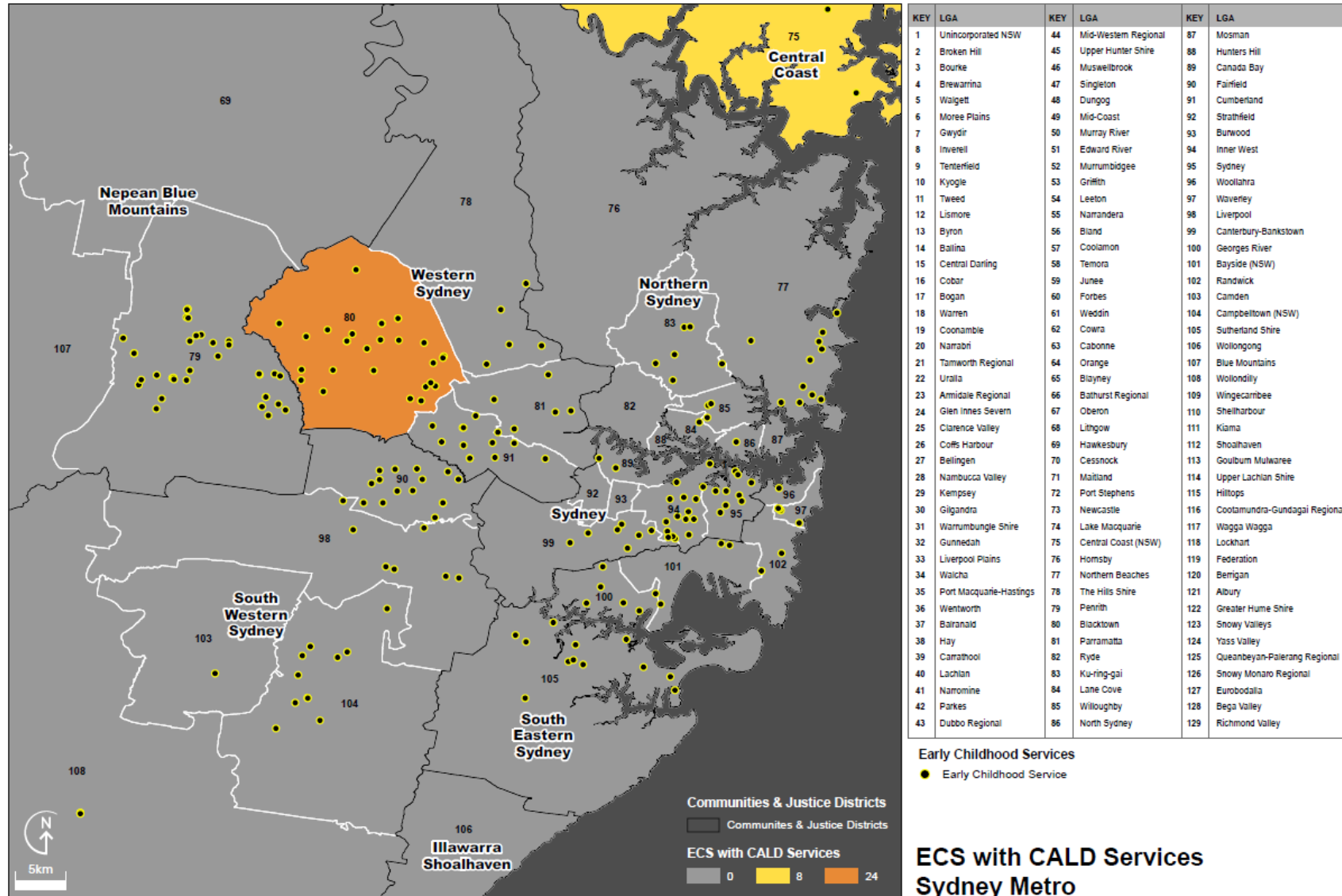


Figure 15: Sydney metropolitan map of NSW council ECS with dedicated programs for CALD children



#### 4.2.4 Children with disabilities and additional needs

Approximately 40 councils (65%) providing ECS reported enrolments from children with disabilities and additional needs.

##### **Summary of key findings**

*The census found that very few councils across NSW offer programs dedicated to Aboriginal children or targeted at CALD communities. The majority of council-run ECS also reported enrolments from children with additional needs in the census, suggesting that they are an important service provider for this target group in their respective local communities.*

### 4.3 ECS Analysis by DCJ District

#### 4.3.1 ECS coverage

Figure 16 shows the number and percentage of NSW councils in each DCJ district offering ECS.

**Figure 16: Number (table A) & percentage (table B) of all NSW councils offering ECS by DCJ district**

**Table A (numbers):**

DCJ District	No. Councils	Preschool	Long Day Care	Family Day Care	Occasional Care	OOSH	Vacation Care	Other
Sydney	6	3	4	2	1	3	2	3
South Eastern Sydney	6	2	5	3	0	0	0	3
Northern Sydney	9	1	4	3	1	1	3	2
Western Sydney	4	1	4	2	0	2	2	3
Nepean Blue Mountains	4	1	1	0	0	1	1	2
South Western Sydney	6	3	3	5	1	4	4	2
Central Coast	1	0	1	0	0	0	0	0
Western NSW	22	4	7	7	1	6	8	4
Hunter New England	22	4	6	3	1	5	5	8
Illawarra Shoalhaven	4	0	0	1	0	0	0	1
Southern NSW	7	1	1	2	1	2	1	1

DCJ District	No. Councils	Preschool	Long Day Care	Family Day Care	Occasional Care	OOSH	Vacation Care	Other
Murrumbidgee	21	4	6	2	1	5	6	5
Northern NSW	6	0	1	0	0	1	1	0
Mid-North Coast	0	0	0	0	0	0	0	0
Far West	4	0	0	0	0	0	0	1
<b>Total</b>	<b>128</b>	<b>24</b>	<b>43</b>	<b>30</b>	<b>7</b>	<b>30</b>	<b>33</b>	<b>35</b>

*Table B (percentages):*

DCJ District	No. Councils	Preschool	Long Day Care	Family Day Care	Occasional Care	OOSH	Vacation Care	Other
Sydney	6	50%	67%	33%	17%	50%	33%	50%
South Eastern Sydney	6	33%	83%	50%	0%	0%	0%	50%
Northern Sydney	9	11%	44%	33%	11%	11%	33%	22%
Western Sydney	4	25%	100%	50%	0%	50%	50%	75%
Nepean Blue Mountains	4	25%	25%	0%	0%	25%	25%	50%
South Western Sydney	6	50%	50%	83%	17%	67%	67%	33%
Central Coast	1	0%	100%	0%	0%	0%	0%	0%
Western NSW	22	18%	32%	32%	5%	27%	36%	18%
Hunter New England	22	18%	27%	14%	5%	23%	23%	36%
Illawarra Shoalhaven	4	0%	0%	25%	0%	0%	0%	25%
Southern NSW	7	14%	14%	29%	14%	29%	14%	14%
Murrumbidgee	21	19%	29%	10%	5%	24%	29%	24%
Northern NSW	7	0%	14%	0%	0%	14%	14%	0%
Mid North Coast	5	0%	0%	0%	0%	0%	0%	0%
Far West	4	0%	0%	0%	0%	0%	0%	25%
<b>Total</b>	<b>128</b>	<b>19%</b>	<b>34%</b>	<b>23%</b>	<b>5%</b>	<b>23%</b>	<b>26%</b>	<b>27%</b>

Source: IPPG: CLG Local Government ECS Census Survey Results, June 2023.



Figure 17 shows the number and percentage of all NSW councils offering centre-based school hours care, home-based care and outside of school hours care by DCJ district, based on the definitions listed in Section 4.1.2.

**Figure 17: Number and percentage of all NSW councils providing ECS by service categories by DCJ district**

DCJ District	No. Councils	Centre-based school hours care		Home-based care		Outside of school hours care	
		Number	Percentage	Number	Percentage	Number	Percentage
Sydney	6	4	67%	2	33%	3	50%
South Eastern Sydney	6	6	100%	3	50%	0	0%
Northern Sydney	9	4	44%	3	33%	3	33%
Western Sydney	4	4	100%	2	50%	2	50%
Nepean Blue Mountains	4	1	25%	0	0%	1	25%
South Western Sydney	6	4	67%	5	83%	4	67%
Central Coast	1	1	100%	0	0%	0	0%
Western NSW	22	8	36%	7	32%	8	36%
Hunter New England	22	8	36%	3	14%	5	23%
Illawarra Shoalhaven	4	0	0%	1	25%	0	0%
Southern NSW	7	1	14%	2	29%	2	29%
Murrumbidgee	21	7	33%	2	10%	6	29%
Northern NSW	6	1	14%	0	0%	1	14%
Mid North Coast	5	0	0%	0	0%	0	0%
Far West	4	0	0%	0	0%	0	0%
<b>Total</b>	<b>128</b>	<b>49</b>	<b>38%</b>	<b>30</b>	<b>23%</b>	<b>35</b>	<b>27%</b>

Source: IPPG:CLG Local Government ECS Census Survey Results, June 2023.

Figure 18 shows the number and percentage of all NSW councils offering school hours and outside of school hours care by DCJ district, based on the definitions listed in Section 4.1.2.

**Figure 18: Number and percentage of all NSW councils providing ECS by service group by DCJ district**

DCJ District	No. Councils	School hours Care		Outside of school hours care	
		Number	Percentage	Number	Percentage
Sydney	6	4	67%	3	50%
South Eastern Sydney	6	6	100%	0	0%
Northern Sydney	9	5	56%	3	33%
Western Sydney	4	4	100%	2	50%
Nepean Blue Mountains	4	1	25%	1	25%
South Western Sydney	6	6	100%	4	67%
Central Coast	1	1	100%	0	0%
Western NSW	22	10	45%	8	36%
Hunter New England	22	10	45%	5	23%
Illawarra Shoalhaven	4	1	25%	0	0%
Southern NSW	7	3	43%	2	29%
Murrumbidgee	21	7	33%	6	29%
Northern NSW	6	1	17%	1	14%
Mid-North Coast	5	0	0%	0	0%
Far West	4	0	0%	0	0%
<b>Total</b>	<b>128</b>	<b>59</b>	<b>46%</b>	<b>35</b>	<b>27%</b>

Source: IPPG:CLG Local Government ECS Census Survey Results, June 2023.

### **Summary of key findings**

- *Half of councils located in Sydney and South Western Sydney DCJ Districts provided preschools in their areas. There were no councils running Preschools in the Central Coast, Illawarra-Shoalhaven, and Northern NSW DCJ Districts.*
- *All councils in the Western Sydney and Central Coast DCJ Districts provided Long Day Care. There were no councils in the Illawarra Shoalhaven DCJ District providing this service.*
- *The highest coverage for Family Day Care appeared in South Western Sydney where 83% of councils ran this service. 50% of the councils in the South Eastern Sydney and Western Sydney DCJ Districts offered this service. Two DCJ Districts did not have any councils offering Family Day Care – Nepean Blue Mountains and Central Coast.*
- *The DCJ Districts with the highest proportion of councils with Occasional Care were Sydney (17%), South Western Sydney (17%), Southern NSW (14%) and Northern Sydney (11%). Eight districts did not have councils running Occasional Care – South Eastern Sydney, Western Sydney, Nepean Blue Mountains, Illawarra-Shoalhaven, Central Coast, Northern NSW, Mid North Coast and Far West.*
- *The DCJ Districts with the highest proportion of councils with OOSH services were South Western Sydney (67%), Sydney (50%) and Western Sydney (50%). Three districts did not have councils with Occasional Care – South Eastern Sydney, Central Coast, and Illawarra-Shoalhaven.*
- *The DCJ Districts with the highest proportion of councils providing Vacation Care were South Western Sydney (67%) and Western Sydney (50%). Three DCJ Districts did not have councils offering Vacation Care – South Eastern Sydney, Central Coast and Illawarra-Shoalhaven.*
- *All councils in three DCJ Districts provided School Hours Care – South Eastern Sydney, South Western Sydney, and Central Coast. The DCJ Districts with the lowest proportion of councils providing School Hours Care were Northern NSW (17%), Illawarra Shoalhaven (25%) and Nepean Blue Mountains (25%).*
- *The highest coverage for Other ECS was found in Western Sydney (75%), Sydney (50%) and South Eastern Sydney (50%) districts.*

### 4.3.2 ECS Supply

Based on councils who provide ECS, Figure 19 shows the number of daily places for centre-based school hours care by DCJ district and the corresponding places per 1,000 children aged 0-6 years based on ABS population data.

**Figure 19: Number of daily places offered by NSW council centre-based school hours care ECS by DCJ district**

DCJ District	No. Councils	Daily Places offered by Council ECS (combined)	Daily Places per 1,000 Children
Sydney	6	1,006	15
South Eastern Sydney	6	1,366	22
Northern Sydney	9	732	11
Western Sydney	4	1,848	18
Nepean Blue Mountains	4	1,335	38
South Western Sydney	6	1,356	16
Central Coast	1	351	13
Western NSW	22	561	22
Hunter New England	22	410	5
Illawarra Shoalhaven	4	-	-
Southern NSW	7	359	22
Murrumbidgee	21	510	20
Northern NSW	6	59	3
Mid-North Coast	5	-	-
Far West	4	-	-
<b>Total</b>	<b>128</b>	<b>9,893</b>	<b>15</b>

Source: IPPG:CLG Local Government ECS Census Survey Results, June 2023.

#### Summary of key findings

- The DCJ Districts with the highest places per capita rates were Nepean Blue Mountains (38 places per 1,000 children), South Eastern Sydney (22 places per 1,000 children) and Southern NSW (22 places per 1,000 children).
- The DCJ Districts with the lowest places per capita rates were Hunter New England (5 places per 1,000 children), Northern NSW (3 places per 1,000 children) and Illawarra Shoalhaven (no service).

### **4.3.3 ECS Demand Pressure**

Figure 20 shows the enrolment level of council centre-based ECS for each DCJ district. In addition,

Figure 21 shows the percentage of council Centre-based ESCs running at capacity for each DCJ district<sup>56</sup>.

**Figure 20: Council reported enrolment levels for council centre-based ECS by DCJ District**

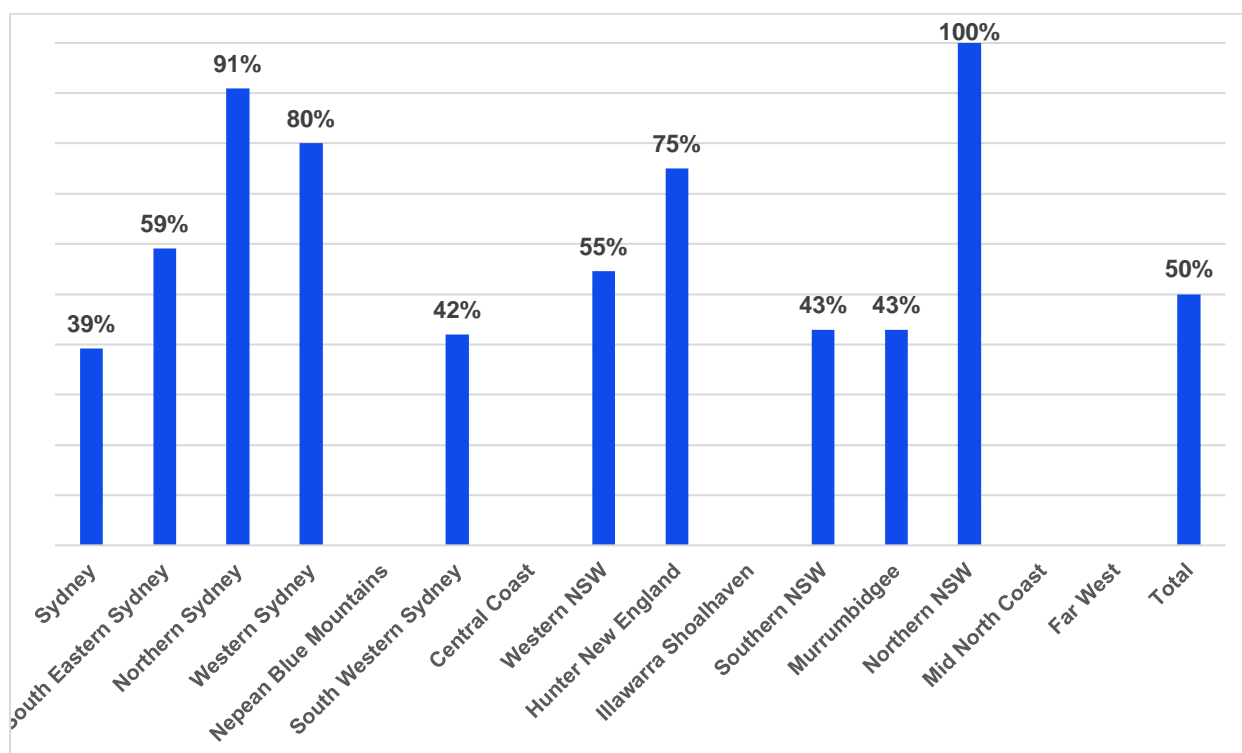
(based on demand pressure in centre-based school hours care with totals equally 100% (excluding no census survey responses indicated by\*)).

DCJ District	No. Councils	'At capacity'	'A small number of places available'	'Many places available'
Sydney	6	39%	39%	22%
South Eastern Sydney	6	59%	32%	9%
Northern Sydney	9	91%	9%	0%
Western Sydney	4	80%	0%	20%
Nepean Blue Mountains*	4	N/A	N/A	N/A
South Western Sydney	6	42%	48%	10%
Central Coast	1	0%	100%	0%
Western NSW	22	55%	45%	0%
Hunter New England	22	75%	0%	25%
Illawarra Shoalhaven*	4	N/A	N/A	N/A
Southern NSW	7	43%	43%	14%
Murrumbidgee	21	43%	57%	0%
Northern NSW	6	100%	0%	0%
Mid-North Coast*	5	N/A	N/A	N/A
Far West*	4	N/A	N/A	N/A
<b>Total</b>	<b>128</b>	<b>50%</b>	<b>40%</b>	<b>10%</b>

Source: IPPG:CLG Local Government ECS Census Survey Results, June 2023.

<sup>56</sup> Only responding centres included.

**Figure 21: Percentage of NSW council ECS centres running at capacity by DCJ districts**



Source: IPPG:CLG Local Government ECS Census Survey Results, June 2023.

### Summary of key findings

- The DCJ Districts with the highest proportion of ECS centres running at capacity were Northern NSW (100%), Northern Sydney (91%) and Western Sydney (80%).
- The DCJ Districts with the lowest proportion of ECS centres running at capacity were Sydney (39%), Southern NSW (43%), Murrumbidgee (43%) and South Western Sydney (42%).
- No responses were obtained from councils in two DCJ Districts: Nepean Blue Mountains, Central Coast. One district has no councils with centre-based services (Illawarra Shoalhaven).

### 4.3.4 Priority Groups

When analysing the Census by DCJ District, the key findings related to the three priority groups were:

- **Aboriginal and Torres Strait Islander communities:** Three councils offered dedicated programs for Aboriginal children: Bega Valley (Southern NSW DCJ District), Canada Bay (Sydney DCJ District) and Blacktown (Western Sydney DCJ District).
- **CALD communities:** Two councils offered programs targeting CALD communities: Blacktown (Western Sydney DCJ District) and Central Coast (Central Coast DCJ District).

- Children with disabilities and additional needs:** In four DCJ Districts, all councils reported enrolments from children with disabilities and additional needs – Sydney, Central Coast, Illawarra Shoalhaven and Northern NSW. In only two DCJ Districts, less than 50% of councils reported enrolments from children with disabilities and additional needs – Hunter New England (45%) and Nepean Blue Mountains (no enrolments) (See Figure 22).

**Figure 22: Number and percentage of NSW councils with ECS enrolments from children with disabilities and additional needs**

DCJ District	Number of responding councils	% of responding councils
Sydney	4	100%
Northern Sydney	3	60%
Western Sydney	2	50%
Nepean Blue Mountains	-	-
South Western Sydney	3	50%
Central Coast	1	100%
Western NSW	8	73%
Hunter New England	5	45%
Illawarra Shoalhaven	1	100%
Southern NSW	2	67%
Murrumbidgee	6	75%
Northern NSW	1	100%
Mid-North Coast	-	-
Far West	-	-
<b>Total</b>	<b>39</b>	<b>63%</b>

Source: IPPG:CLG Local Government ECS Census Survey Results, June 2023.



## 4.4 ECS Analysis by Council Type

### 4.4.1 Service Coverage

Figure 23 shows the number and percentage of councils offering ECS for each council geographical type using OLG categories (see Section 3.1 for details).

**Figure 23: Number (Table A) and percentages (Table B) of NSW councils offering ECS by OLG geographic type**

Table A (numbers):

Council Type	No. Councils	Preschool	Long Day Care	Family Day Care	Occasional Care	OOSH	Vacation Care	Other
Metropolitan	25	9	18	11	3	7	8	12
Metropolitan Fringe	9	2	4	3	0	3	3	3
Regional Town/City	37	5	9	10	3	11	11	6
Large Rural	42	6	10	6	1	8	9	12
Rural	15	2	2	0	0	1	2	2
<b>Total</b>	<b>128</b>	<b>24</b>	<b>43</b>	<b>30</b>	<b>7</b>	<b>30</b>	<b>33</b>	<b>35</b>

Table B (percentages):

Council Type	No. Councils	Preschool	Long Day Care	Family Day Care	Occasional Care	OOSH	Vacation Care	Other
Metropolitan	25	36%	72%	44%	12%	28%	32%	48%
Metropolitan Fringe	9	22%	44%	33%	0%	33%	33%	33%
Regional Town/City	37	14%	24%	27%	8%	30%	30%	16%
Large Rural	42	14%	24%	14%	2%	19%	21%	29%
Rural	15	13%	13%	0%	0%	7%	13%	13%
<b>Total</b>	<b>128</b>	<b>19%</b>	<b>34%</b>	<b>23%</b>	<b>5%</b>	<b>23%</b>	<b>26%</b>	<b>27%</b>

Source: IPPG:CLG Local Government ECS Census Survey Results, June 2023.

Figure 24 also shows the number and percentage of councils offering ECS for each ECS category and council geographical type.

**Figure 24: Number and percentage of NSW councils offering ECS by service group and by OLG geographic type**

Council Type	No. Councils	Centre-based school hours care		Home-based care		Outside of school hours care	
		Number	Percentage	Number	Percentage	Number	Percentage
<b>Metropolitan</b>	<b>25</b>	19	76%	11	44%	9	36%
<b>Metropolitan Fringe</b>	<b>9</b>	5	56%	3	33%	3	33%
<b>Regional Town/City</b>	<b>37</b>	9	24%	10	27%	12	32%
<b>Large Rural</b>	<b>42</b>	13	31%	6	14%	9	21%
<b>Rural</b>	<b>15</b>	3	20%	0	0%	2	13%
<b>Total</b>	<b>128</b>	<b>49</b>	<b>38%</b>	<b>30</b>	<b>23%</b>	<b>35</b>	<b>27%</b>

Source: IPPG:CLG Local Government ECS Census Survey Results, June 2023.

Figure 25 also shows the number and percentage of councils offering ECS for each ECS category and council geographical type.

**Figure 25: Number and percentage of NSW council school and out of school hours care ECS by OLG geographical type**

Metropolitan	No. Councils	School hours Care		Outside of school hours care	
		Number	Percentage	Number	Percentage
<b>Metropolitan</b>	<b>25</b>	20	80%	9	36%
<b>Metropolitan Fringe</b>	<b>9</b>	6	67%	3	33%
<b>Regional Town/City</b>	<b>37</b>	16	43%	12	32%
<b>Large Rural</b>	<b>42</b>	14	33%	9	21%
<b>Rural</b>	<b>15</b>	3	20%	2	13%
<b>Total</b>	<b>128</b>	<b>59</b>	<b>46%</b>	<b>35</b>	<b>27%</b>

Source: IPPG:CLG Local Government ECS Census Survey Results, June 2023.

### Summary of key findings

- A higher proportion of Metropolitan (overall) councils provided Preschools when compared to Rural and Regional Councils (overall).
- Metropolitan councils had the largest level of Long Day Care provision (72% of councils). Rural councils had the lowest proportion of Long Day Care services (13%).
- Metropolitan councils had the largest level of Family Day Care provision (72% of councils). Rural councils had the lowest proportion of Long Day Care services (13%).
- Metropolitan councils had the largest level of Occasional Care provision (12% of councils). There is almost no Occasional Care provided in Rural councils (overall).
- Metropolitan (overall) and Regional Councils had around 30% of its councils providing OOSH services. Rural councils had the lowest level of OOSH services (7%).
- Metropolitan (overall) and Regional Councils had around 30% of its councils providing Vacation Care. Rural councils had the lowest level of Vacation Care (13%).
- Occasional Care was not provided by Regional Town/City and Rural Councils. All other council types had less than 20% of councils providing this service.
- The lowest proportion of councils with OOSH services appeared in rural (20%) and Metropolitan areas (35%).
- There was little difference in the provision of Vacation Care.
- The highest coverage for School Hours Care (80%) was found in Metropolitan councils and the lowest in Rural councils (20%).
- The highest coverage for Other ECS was found in Metropolitan councils (48%) and the lowest in Rural councils (13%).

#### 4.4.2 ECS Supply and Demand Pressure

Figure 26 shows the number of daily places for centre-based school hours care in each council geographical type and the corresponding places per 1,000 children.

**Figure 26: Number of daily places in NSW council centre-based school hours ECS by OLG geographical type**

Council Type	No. Councils	Daily Places	Daily Places per 1,000 Children
Metropolitan	25	5,750	18
Metropolitan Fringe	9	2,244	17
Regional Town/City	37	951	5
Large Rural	42	779	23
Rural	15	169	44
<b>Total</b>	<b>128</b>	<b>9,893</b>	<b>15</b>

Source: IPPG:CLG Local Government ECS Census Survey Results, June 2023.

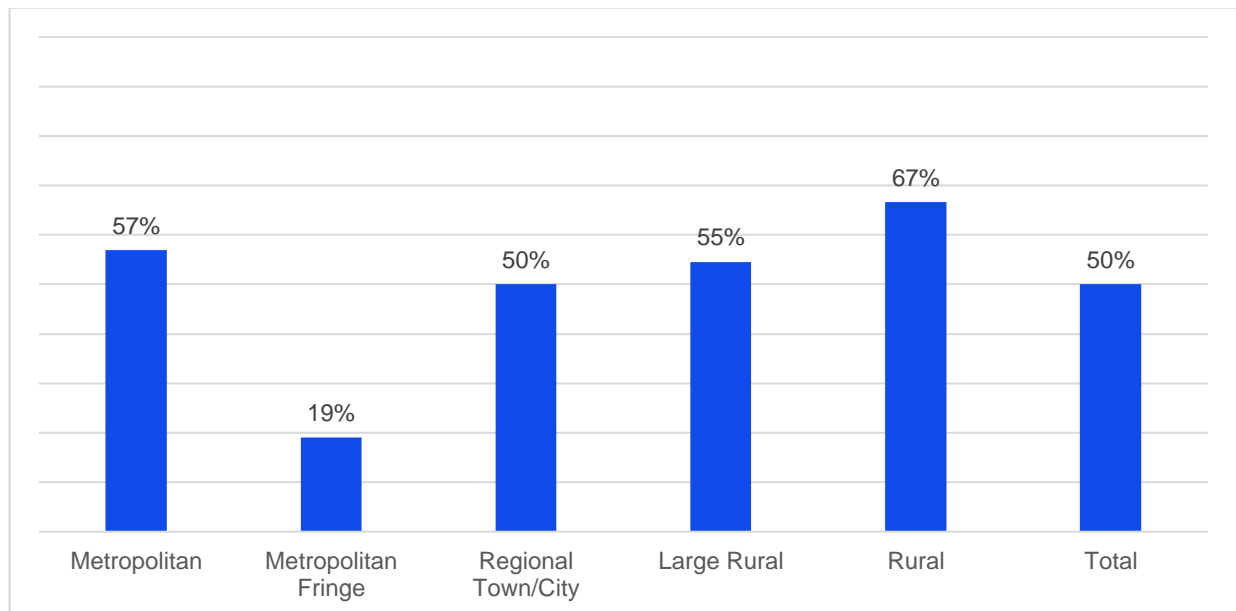
Figure 27 shows the enrolment level of council centre-based ECS for each council geographical type. This is followed by Figure 28 which shows the percentage of council centre-based ECS running at capacity for each council geographical type<sup>57</sup>.

**Figure 27: Council reported enrolment level of NSW council centre-based ECS by OLG geographical type**  
(based on demand pressure in Centre-based school hours care (ex. Non-response))

Council Type	No. Councils	'At capacity'	'A small number of places available'	'Many places available'
Metropolitan	25	57%	32%	11%
Metropolitan Fringe	9	19%	71%	10%
Regional Town/City	37	50%	38%	13%
Large Rural	42	55%	45%	0%
Rural	15	67%	33%	0%
<b>Total</b>	<b>128</b>	<b>50%</b>	<b>40%</b>	<b>10%</b>

Source: IPPG:CLG Local Government ECS Census Survey Results, June 2023.

**Figure 28: Percentage of NSW council ECS running at capacity by OLG geographical type**



Source: IPPG:CLG Local Government ECS Census Survey Results, June 2023.

<sup>57</sup> Only responding Centre included.

### Summary of key findings

- Rural councils had the highest ratio of centre-based school hours care per capita<sup>58</sup> (44 places per 1,000 children), and regional councils the lowest (5 places per 1,000 children).
- Rural councils reported the highest proportion of ECS centres running at capacity (67%), and Metropolitan Fringe councils the lowest (19%).

#### 4.4.3 Priority Groups

When analysing the census by council geographical type, the key findings for the following groups were as follows:

- **Aboriginal and Torres Strait Islander communities:** Three councils offered dedicated programs for Aboriginal children: Two were Metropolitan councils, and one was a Regional Town/City council.
- **CALD communities:** Two councils offered programs targeting CALD communities: one was a Metropolitan council, and one was a Metropolitan Fringe council.
- **Children with disabilities and additional needs:** Figure 29 shows the number of councils reporting enrolments from children with disabilities and additional needs. All categories had more than 50% of councils reporting enrolments from children with disabilities and additional needs ranging from 59% of councils in Regional Town/City areas to 71% in Large Rural areas.

**Figure 29: Number of NSW council's reporting ECS enrolments from children with disabilities and additional needs by OLG geographical type**

Council Type	Number Councils	Number of responding councils	% of responding councils
Metropolitan	25	14	70%
Metropolitan Fringe	9	3	33%
Regional Town/City	37	10	59%
Large Rural	42	10	71%
Rural	15	3	60%
<b>Total</b>	<b>128</b>	<b>40</b>	<b>65%</b>

Source: IPPG:CLG Local Government ECS Census Survey Results, June 2023.

<sup>58</sup> Given the low ECS coverage in non-metropolitan areas (in particular rural councils), these findings do not imply that there is a higher level of ECS service provision in rural areas, they mean that, in the cases where non-metropolitan councils provide ECS, they do it with higher enrolment per capita rates (e.g., Walcha Council has 250 places per 1,000 children).

## 4.5 ECS Analysis by socio-economic disadvantage

SEIFA refers to [Socio-Economic Indexes for Areas](#) in Australia and is used by the ABS to rank areas according to the relative socio-economic advantage and disadvantage. Lower scores indicate areas of relative disadvantage compared to areas with higher scores.

For this analysis, councils have been classified into three categories:

- Lowest: Councils with SEIFA indices 8-10.
- Middle: Councils with SEIFA indices 4-7.
- Highest: Councils with SEIFA indices 1-3.

### 4.5.1 Service Coverage

Figure 30 shows the number and percentage of councils offering ECS for each SEIFA category. This is followed by Figure 31 which shows the number and percentage of councils offering ECS for each ECS and SEIFA category.

**Figure 30: Number (Table A) and percentage (Table B) of NSW council offering ECS by SEIFA category**

Table A (numbers):

SEIFA status	No. Councils	Preschool	Long Day Care	Family Day Care	Occasional Care	OOSH	Vacation Care	Other
Lowest	37	7	17	12	2	8	9	12
Middle	52	12	17	13	4	15	16	14
Highest	39	5	9	5	1	7	8	9
<b>Total</b>	<b>128</b>	<b>24</b>	<b>43</b>	<b>30</b>	<b>7</b>	<b>30</b>	<b>33</b>	<b>35</b>

Table B (percentages):

SEIFA status	No. Councils	Preschool	Long Day Care	Family Day Care	Occasional Care	OOSH	Vacation Care	Other
Lowest	24	19%	46%	32%	5%	22%	24%	32%
Middle	26	23%	33%	25%	8%	29%	31%	27%
Highest	5	13%	23%	13%	3%	18%	21%	23%
<b>Total</b>	<b>128</b>	<b>19%</b>	<b>34%</b>	<b>23%</b>	<b>5%</b>	<b>23%</b>	<b>26%</b>	<b>27%</b>

Source: IPPG:CLG Local Government ECS Census Survey Results, June 2023.

**Figure 31: Number and percentage of NSW councils offering ECS by service grouping and SEIFA categories**

SEIFA status	No. Councils	Centre-based school hours care		Home-based care		Outside of school hours care	
		Number	Percentage	Number	Percentage	Number	Percentage
<b>Lowest</b>	<b>37</b>	19	51%	12	32%	10	27%
<b>Middle</b>	<b>52</b>	19	37%	13	25%	17	33%
<b>Highest</b>	<b>39</b>	11	28%	5	13%	8	21%
<b>Total</b>	<b>128</b>	<b>49</b>	<b>38%</b>	<b>30</b>	<b>23%</b>	<b>35</b>	<b>27%</b>

Source: IPPG:CLG Local Government ECS Census Survey Results, June 2023.

Finally, Figure 32 shows the number and percentage of councils offering school and out of school hours care by SEIFA category.

**Figure 32: Number and percentage of NSW councils offering school and out of school hours care ECS by SEIFA categories**

SEIFA status	No. Councils	School hours Care		Outside of school hours care	
		Number	Percentage	Number	Percentage
<b>Lowest</b>	<b>37</b>	24	65%	10	27%
<b>Middle</b>	<b>52</b>	24	46%	17	33%
<b>Highest</b>	<b>39</b>	11	28%	8	21%
<b>Total</b>	<b>128</b>	<b>59</b>	<b>46%</b>	<b>35</b>	<b>27%</b>

Source: IPPG:CLG Local Government ECS Census Survey Results, June 2023.

### Summary of key findings

- Councils with Middle socio-economic disadvantage showed the highest service coverage for Preschools.
- Councils with Lowest socio-economic disadvantage showed the highest service coverage for Long Day Care and Family Day Care.
- Councils with Middle socio-economic disadvantage had the highest service coverage for Occasional Care.
- Councils with Middle socio-economic disadvantage had the highest service coverage for OOSH services.
- Councils with the lowest socio-economic disadvantage had the highest service coverage for Vacation Care services.
- For Schools Hours Care, the highest service coverage was found in councils with the Lowest Socio-Economic Disadvantage (65%), and the lowest service coverage was found in councils with the Highest Socio-Economic Disadvantage (46%).
- For Other ECS, the highest service coverage was found in councils with the Lowest Socio-Economic Disadvantage (32%), and the lowest service coverage was found in councils with the Highest Socio-Economic Disadvantage (23%).

#### 4.5.2 Service Coverage Mapping

Figure 33 and Figure 34 provides a spatial representation of the distribution of ECS across NSW, underlain with the SEIFA category for each LGA. The maps reiterate that general, a higher proportion of metropolitan councils provided ECS compared to rural and regional councils.

Metropolitan LGAs were generally more likely to have high or medium SEIFA ratings (indicating socio-economic advantage) while rural and regional LGAs were more generally more likely to have a low SEIFA rating (indicating socio-economic disadvantage).



Figure 33: Regional map of NSW council ECS overlaid with SEIFA status

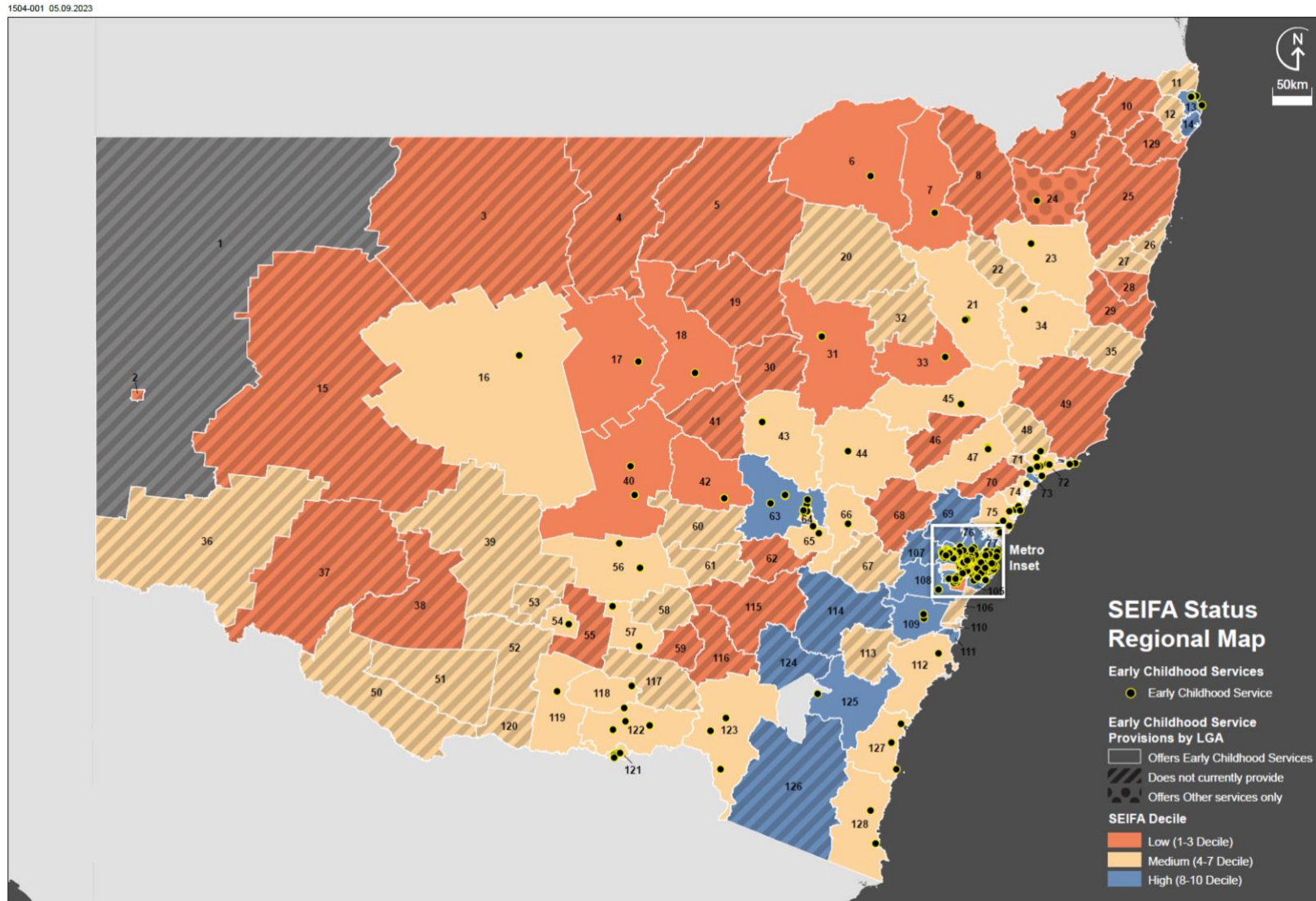
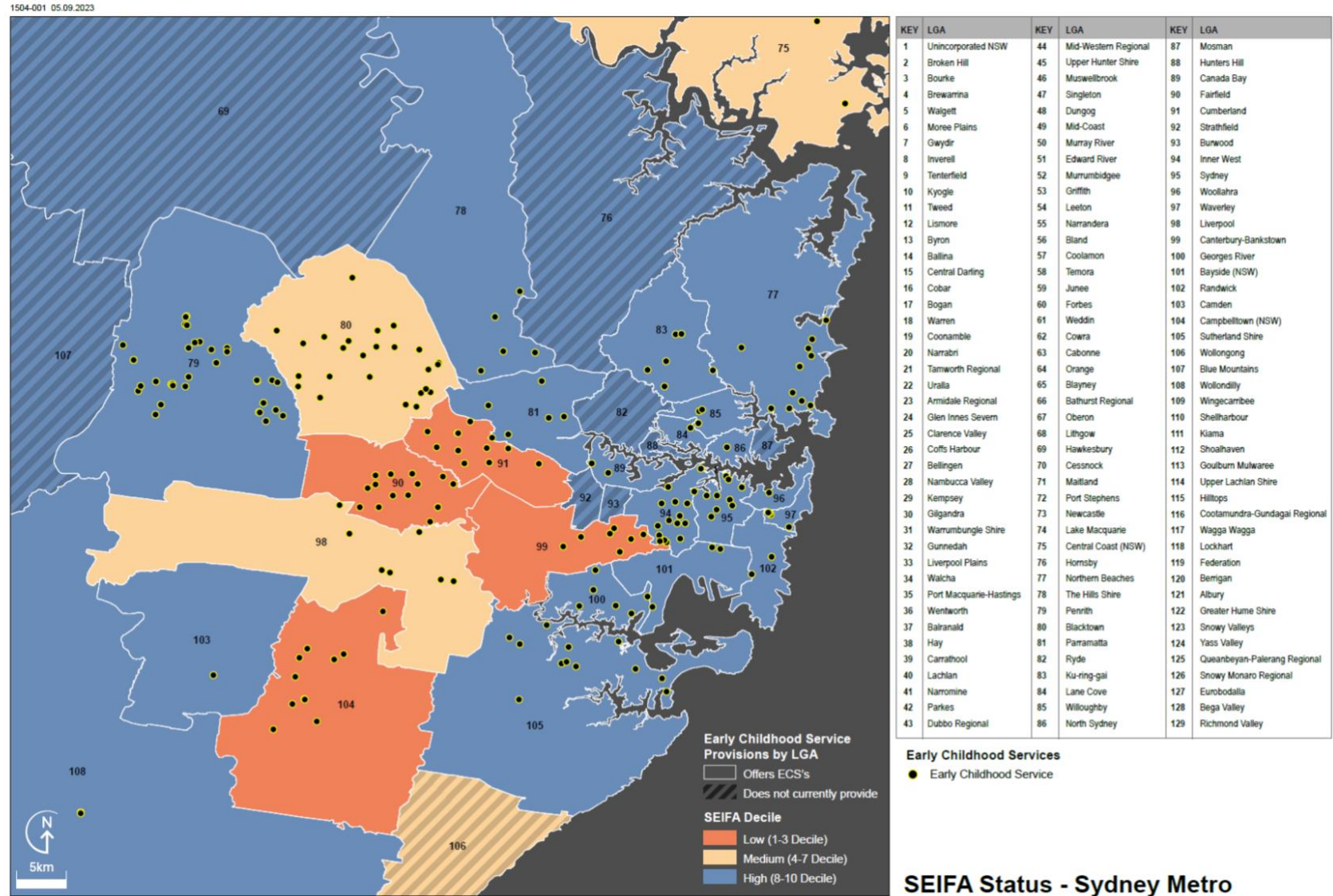


Figure 34: Sydney Metro map of NSW council ECS with SEIFA Status



### 4.5.3 ECS Supply and Demand Pressure

Figure 35 shows the number of daily places for centre-based school hours care in each SEIFA category and the corresponding places per 1,000 children.

**Figure 35: Number of daily places in NSW council centre-based school hours care ECS by SEIFA category**

SEIFA status	No. Councils	Daily Places	Daily Places per 1,000 Children
Lowest	37	4,949	17
Middle	52	3,038	13
Highest	39	1,906	14
<b>Total</b>	<b>128</b>	<b>9,893</b>	<b>15</b>

Source: IPPG:CLG Local Government ECS Census Survey Results, June 2023.

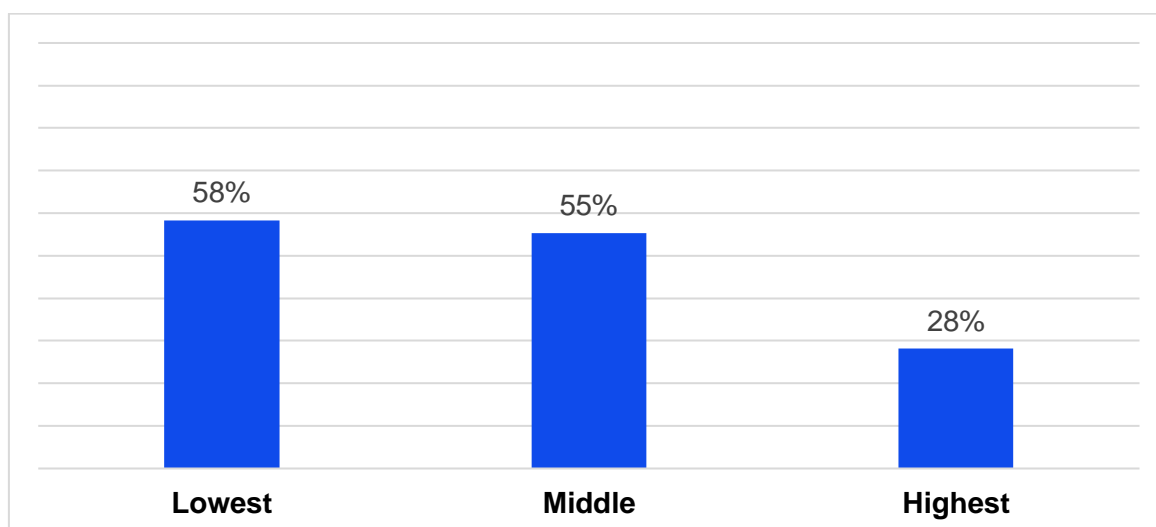
Figure 36 and Figure 37 shows the demand pressure for centre-based school hours care and the percentage of ECS running at capacity by SEIFA category.

**Figure 36: Demand pressure in NSW council centre-based school hours care ECS by SEIFA category**  
(based on demand pressure in centre-based school hours care (ex. Non-response))

SEIFA status	No. Councils	'At capacity'	'A small number of places available'	'Many places available'	Total
Lowest	37	58%	32%	10%	100%
Middle	52	55%	39%	5%	100%
Highest	39	28%	56%	16%	100%
<b>Total</b>	<b>128</b>	<b>50%</b>	<b>40%</b>	<b>10%</b>	<b>100%</b>

Source: IPPG:CLG Local Government ECS Census Survey Results, June 2023.

**Figure 37:** Percentage of NSW council ECS running at capacity by SEIFA category



Source: IPPG:CLG Local Government ECS Census Survey Results, June 2023.

### Summary of key findings

- In terms of ECS daily places per capita, the highest ratio is found in councils with the Lowest Socio-Economic Disadvantage (17 places per 1,000 children) and the lowest ratio is found in councils with Middle Socio-Economic Disadvantage (13 places per 1,000 children).
- Councils with the Lowest and Middle Socio-Economic Disadvantage reported much higher proportions of ECS centres running at capacity (58% and 55%, respectively) than councils with the Highest Socio-Economic Disadvantage (28%).

#### 4.5.4 Priority Groups

When analysing the Census by SEIFA category, the key findings for the following groups were as follows:

- **Aboriginal and Torres Strait Islander communities:** Three councils offered dedicated programs for Aboriginal children: Two were in Middle socio-economic disadvantage councils, and one was a council in the highest socio-economic disadvantage category.
- **CALD communities:** Two councils offered programs targeting CALD communities: both in Middle socio-economic disadvantage councils.
- **Children with disabilities and additional needs:** Councils with Middle socio-economic disadvantage showed a much higher percentage of councils with enrolments from children with disabilities and additional needs (See Figure 38).

**Figure 38: Number of NSW councils reporting ECS enrolments from children with disabilities and additional needs by SEIFA category**

Socio-Economic Disadvantage	No. Councils	Number of responding councils	Percentage of responding councils
Lowest	37	13	54%
Middle	52	21	81%
Highest	39	6	50%
<b>Total</b>	<b>128</b>	<b>40</b>	<b>65%</b>

Source: IPPG:CLG Local Government ECS Census Survey Results, June 2023.

## 5 Stakeholder Feedback – Qualitative Findings

*This section contains the qualitative findings drawn from council staff and external stakeholder feedback. It includes the consolidated results of the two feedback survey instruments - for council staff and external stakeholders – plus the outcomes of semi-structured interviews and focus groups. Details on these methods and participation rates are included Section 1.2.4.*

*While the research was designed to gather perspective on local council ECS in general, most feedback was clearly focused on centre-based services, and therefore should be interpreted as such.*

*Note: The data and direct quotes contained in this section (highlighted in inverted commas and/or indented in blue) are exclusively the feedback provided by respondents engaged in this research. They have not been actively filtered or fact checked by the UTS research team, though perspectives have been grouped under headings and themes as follows.*

### 5.1 Overview on current ECS Delivery

#### 5.1.1 Value of Council's Role

The vast majority of respondents – incorporating council staff and external stakeholders – reported that **local government's role in ECS delivery as essential and valuable**. When clarified, respondents emphasised the importance of council's providing childcare options to their communities that are not-for-profit. Commonly shared views, particularly amongst council staff, were that council- operated ECS generally provided a higher standard of care; knew, and also reflected the needs of their communities; and were generally more inclusive, accepting all children regardless of their needs.

*“Council doesn't want us to lose money, but the not-for-profit focus is a strength because we're not about making more money for the business, we make sure it goes back into our services, predominantly upgrades to the buildings.”  
(Metropolitan Fringe Council, Interview /Focus Group)*

*“It is important to ensure there is a mix of profit and not-for-profit service providers... It's important that not-for-profit providers are provided support from local government to survive and operate in an industry that is a profit driven world.”  
(Large Rural Council, Interview/ Focus Group)*

These perceptions were also widely echoed by external stakeholders consulted.

*“Council based services tend to have a much better reputation than the for-profit run services.”  
(ECS Manager, External Stakeholder Feedback Survey)*

*“Most council run long day cares provide quality service and staff... [that are] caring and attentive to children”  
(Government/ public sector employee, External Stakeholder Feedback Survey).*

Numerous respondents raised the issue of local demand, and the importance of local governments ensuring supply, specifically in areas that are not attracting private and not-for-profit providers.

*“Simply, where there is local demand, all [services] should continue. There is a scarcity of early childhood services, particularly childcare and preschool, in many parts of NSW. Local government providing, supporting or hosting these services provides an invaluable service to the community”  
(Employee/ representative of a peak body or advocacy organisation, External Stakeholder Feedback Survey)*

Various respondents lamented the trend for councils to exit the direct provision of ECS, with a significant proportion reporting that **councils should continue to provide ECS to their communities**. This view was often raised in the context of rural and regional areas of NSW, and the perceived or actual risk of not being serviced by any other ECS providers.

*“A lot of councils in regional areas have withdrawn from any service provision – I see childcare as a community service, and that’s what our [council’s] role is.”  
(Metropolitan Council, Interview/ Focus Group)*

*“I particularly think it’s really important for local governments to be delivering the services in their communities if there aren’t those commercial providers.”  
(Large Rural Council, Interview/ Focus Group)*

### **Summary of key findings**

*Many respondents felt that the role of local government in providing ECS was essential and valuable. Their ability to provide quality childcare options not driven by profit margins was seen as a key strength. While some councils had actively decided to not provide ECS, rather play a supportive role for local not-for-profit or for-profit providers, the importance of local government providing these services in low-serviced areas, such as rural and regional locations, was deemed important.*

## **5.2 Strengths of Council ECS Delivery**

### **5.2.1 Community focused, inclusive and equitable**

The most frequently reported strength of local governments role in ECS was that **councils are community focused, inclusive, and equitable**. These commitments and practices were directly linked to regulations under the NSW Local Government Act 1993 – specifically the Integrated Planning and Reporting (IP&R) framework – that requires all NSW councils to reflect social justice principles in their planning and services, informed by the Quadruple Bottom Line

considerations – covering social, economic, environmental and civic leadership issues.<sup>59</sup> An understanding of these commitments was evidenced in feedback, specifically through the examples where councils have forged strong relationships with their communities, adopt an equitable approach to taking on children with additional needs, shared commitments to being culturally inclusion, and in other ways being community-focused and responsive to local needs.

Common terms used to describe these perceptions of councils serving a public good role included:

- *“trusted organisations”*  
(Regional Town/City, Interview/ Focus Group)
- *“here for the community, first and foremost”*  
(Metropolitan Council, Interview/ Focus Group)
- *“[good at] “not leaving anyone behind”*  
(Metropolitan Council, Interview/ Focus Group).

Other perceived strengths of council ECS provision included having strong relationships and networks within their communities, which were widely viewed as essential in being able to provide quality ECS at the local level.

*“Private providers are coming to make money and are not about enhancing outcomes for children, while local government has a really good grasp on their community and what’s unique about their community, and how they can support them”*  
(Metropolitan Council, Interview/ Focus Group)

The community focused nature of council-run ECS was also highlighted by parents and carers who provided responses through the external feedback survey. The relationships developed by these services with individual children and their families were seen as a strength, as was the level of communication and care, and the protocols practices around incidents, injuries and harm minimisation.

**Taking on and supporting children with additional needs and/or disability was a frequently reported strength** of local governments’ equitable and inclusive nature. When asked how they would rate the support the council provides to children with disability and their families, all respondents who answered the question rated it ‘good’ or ‘very good’, with similar positive results in respect to supporting:

- Culturally and linguistically diverse children and families
- Children and families from low socio-economic background.

Overall, responses to council ECS’s also supporting Aboriginal and Torres Strait Islander children and their families was generally positive, though some observed there was also poor outcomes in places, with most commenting that a lot more remains to be done to provide First Nations families with quality access and equity to ECS across the board.

The vast majority of interview and focus group respondents supported this as well, observing that many non-council services seemed to avoid taking on children with additional needs.

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<sup>59</sup> <https://www.olg.nsw.gov.au/wp-content/uploads/2021/11/IPR-Guidelines-2021.pdf>. p.13



However, respondents also reported that this inclusion approach, also posed challenges to council ECS staff, as discussed in section 5.6.3.

*“We have a high number of kids with additional needs and disability, we get families knocking on our doors saying, ‘private centres won’t take us’.”  
(Metropolitan Fringe Council, Interview/ Focus Group)*

*“Inclusive approach is a strength of local government, we would never turn a child away, we may only refer them elsewhere.”  
(Metropolitan Fringe Council, Interview/ Focus Group)*

**Cultural inclusion was also outlined as a strength of local governments.** Many respondents reported being responsive to the cultural diversity in their communities, either by accommodating cultural needs (such as dietary requirements), advertising for targeted positions, or hosting cultural family events. When asked how they would rate the support council provides to culturally and linguistically diverse children and their families and Aboriginal and Torres Strait Islander children and their families, 100% (n= 12) and 90% (n= 9) respectively of Council Feedback Survey respondents rated it ‘good’ or ‘very good’.

*“We have a very culturally diverse LGA and are fairly responsive to accommodating all of those cultural needs. We’ve got a very diverse workforce, not only within Council, but also within the services” (Metropolitan Council, Interview/ Focus Group)*

*“We had targeted positions which played an important role in the service, and staffing that cultural awareness” (Large Rural Council, Interview/ Focus Group)*

*“We do have a high Aboriginal population and we have a few educators that are Aboriginal themselves, so I think that helps out families feel culturally safe in their services” (Regional Town/City Council, Interview/ Focus Group)*

### 5.2.2 Community Collaborations and Partnerships

**Mixed feedback was provided from council staff on councils’ partnerships with other services.** When asked if their council delivered ECS in partnership or collaboration with others, most survey respondents selected ‘no’ (66%) or ‘don’t know/can’t recall’ (21%).

However, several interview/focus group respondents reported on the strong partnerships and relationships their council has with other community organisations, and perceived this to be a strength of local government’s role in ECS. These partnerships ranged from those with health providers and community organisations, to tertiary education institutions and businesses. (See case studies at Section 6 and Appendix 4 for more details).

Many respondents noted that many of the relationships leveraged by council ECS and their staff is a direct function of the size and role of councils within their LGA. The fact that ECS operate as part of councils’ broader Community Services divisions (or equivalent), and therefore have access to/know a wide range of personnel working in community engagement or directly with specific groups (for example through council’s Aboriginal Liaison Officers, or Family or Disability Support Officers etc) can “seamlessly” facilitate access to external supports and networks, something noted as much more difficult for stand-alone private or not-for-profit ECS.

When asked how external collaborations and partnerships were beneficial to children and families within council ECS services, a number of reasons were provided including:

- the ability to support the child and families in ways other than direct child care service
- the capacity to make smooth referrals, especially to health and developmental supports
- linking families to other forms of assistance and support (including financial assistance, housing, domestic violence support etc)
- providing cost saving and time-efficient options for families and ECS staff by not having to “start from scratch” and already “knowing who’s who in the zoo”
- strengthening “community connectedness” in general.

*“We have a good relationship with TAFE where we facilitate onboarding trainees and workplace apprenticeships. We also have relationships with hospitals and community health organisations... During the flood recovery, we reached out to a not-for-profit to see if children needed emergency placement and care while families were cleaning up their houses.”*

*(Regional Town/City Council, Interview/ Focus Group)*

Having the knowledge and capacity to refer children with additional needs, or complex behaviours to specialists - such as occupational therapists and speech pathologists - was also highlighted as a benefit.

*“We have a family support worker on our children’s services team. She supports families, does referrals, does parenting education, assessments on children, etc.”*

*(Metropolitan Council, Interview/ Focus Group)*

*“[Council] established a domestic violence hub and there’s a lot of service providers that operate out of that hub, and we’ve established relationships and created pathways for referrals.”*

*(Metropolitan Council, Interview/ Focus Group)*

### **5.2.3 Internal resources and governance arrangements**

**Another reported strength of local government’s role in ECS delivery was generally the ability to leverage and draw on other sections of councils to perform specialist functions**, including financial planning, strategic and program planning, staffing and human resourcing, service promotion, plus regulation and compliance.

*“Council has proven to be quality providers of early childhood education, definitely due to the broad range of people we can draw on.”*

*(Metropolitan Council, Interview/ Focus Group)*

*“Flexibility of staff helps meet regulations in terms of the qualifications needed.”*

*(Large Rural Council, Interview/ Focus Group).*

It was also noted that local government ECS were stronger for operating within a wider organisational context supported by a broad suite of formal policies, procedures and practices, particularly when compared to many for-profit services. This was associated with council ECS capacity to deliver both safe and accountable services, including from an access and inclusion, risk, performance management, as well as a work, health and safety perspectives.

*“The governance structure [in council] means you’re less likely to see structures that enable really bad things to happen”.*

*(Metropolitan Council, Interview/ Focus Group)*

*“At councils, it doesn’t stop at the director like it does with private providers. There are terrible providers out there because they don’t have someone above them telling them what’s wrong. In council, you have a risk audit committee and a lot of stringent government mechanisms in place.”*  
*(Metropolitan Council, Interview/ Focus Group)*

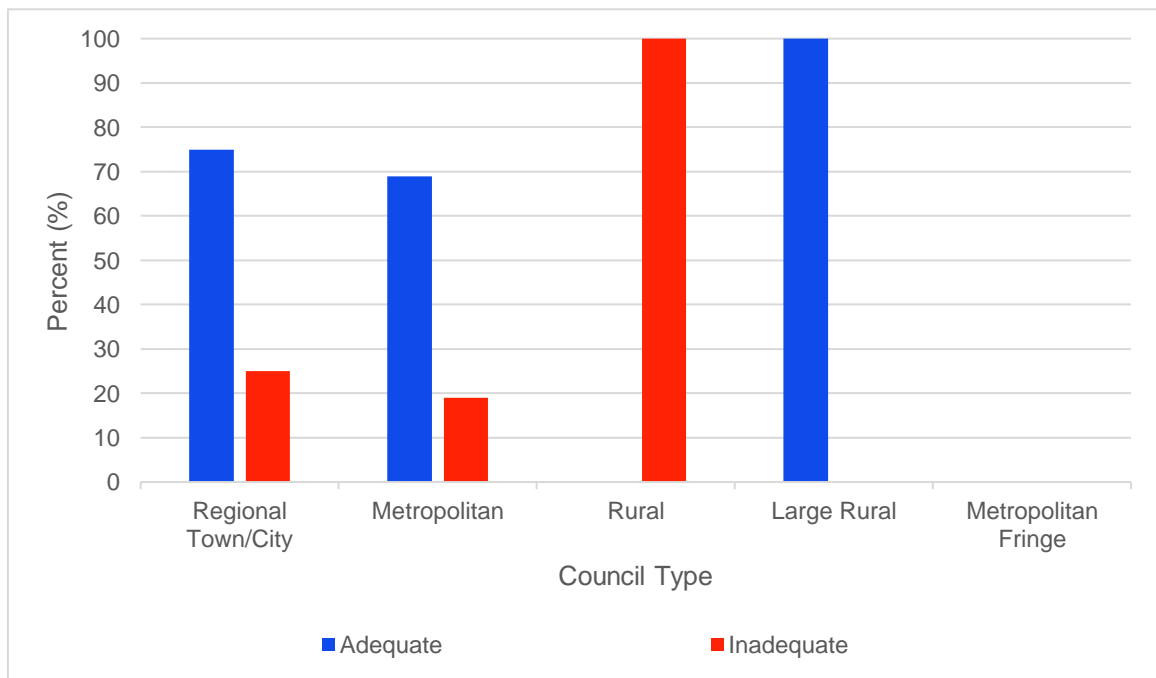
### 5.2.4 High quality of standards and service

**There were mixed findings on the overall quality and standards of ECS delivered or commissioned by local government.** Several respondents referenced the Australian Children’s Education and Care Quality Authority (ACECQA) assessments and ratings, which showed the consistently high performance of local government in delivery of ECS.

*“Another thing local government do well is the quality rating – local government has been the highest provider of quality since the national framework came in, with most services exceeding the standards,”*  
*(Metropolitan Council, Interview/ Focus Group)*

Figure 39 below shows council staff’s rating of their council’s ECS based on their geographic location/type. While most respondents rated their council’s services as either very adequate or adequate, all of the small number of rural council respondents that answered the question ranked them as inadequate.

**Figure 39: Thinking broadly about services, how adequate or inadequate are these services?**



Source: IPPG:CLG Council Feedback Survey, June 2023  
Q2a: ‘Thinking broadly about services, how adequate or inadequate are these services? n=32, 22 missing, 2023.

Most regional town/city and metropolitan council respondents were positive in their ratings, though both included respondents with negative assessments. No metropolitan fringe councils responded to this rating question.

When asked why they rated it so, rural council respondents referred to the limited places and subsequently long waitlists in for their services. Other issues raised included:

- *“a major shortage of qualified teachers and educators”*
- *“more facilities are needed”*  
(Rural Councils, Council Feedback Survey).

Furthermore, 53% of external stakeholder feedback survey respondents rated these services as inadequate (n= 20), while 39% rated them adequate (n= 15).

While reasons for this were diverse, they mostly pertained to the limited number of services available and long waitlists.

*“There are long waitlists as there are not enough services, there are not enough services as there are no staff.”*  
(Parent/ carer of a child aged 0-6 years, External Stakeholder Feedback Survey)

The challenge of long waitlists is further discussed in section 5.5.1.

## **5.2.5 Opportunities for ECS staff**

Other noted strengths of council ECS delivery noted by some respondents, predominantly those from metropolitan councils, were:

- overall positive or “good working environments”  
*“Once staff are in the services [council ECS] they stay a long time because they see the benefits, we’ve had staff working here for 30 years.”*  
(Metropolitan Council, Interview/ Focus Group)
- opportunities it offered to individual ECS staff and educators.  
*“[My council offers] good learning and development pathways [through] a strong traineeship program backed by a university.”*  
(Metropolitan Council, Interview/ Focus Group)  
*“We [ECS council staff] have a good professional development program because we’re linked up with council... Staff get a lot of support with regards to employment, like flexible working arrangements.”*  
(Metropolitan Fringe Council, Interview/ Focus Group).

### **Summary of key findings**

*Respondents reported various strengths associated with Local Council ECS including that they were community focused, inclusive and equitable, particularly when it came to supporting children with additional needs and/or disability and being responsive to cultural diversity.*

*Other strengths of council-run services included the strong partnerships that they had with community organisations, their ability to draw on other sections of council for assistance, and their strong record in meeting or exceeding ACECQA assessments and ratings.*

*The ability for services in rural and regional areas to provide high quality services however was compromised by limited places and facilities, long waiting lists, and lack of qualified staff.*

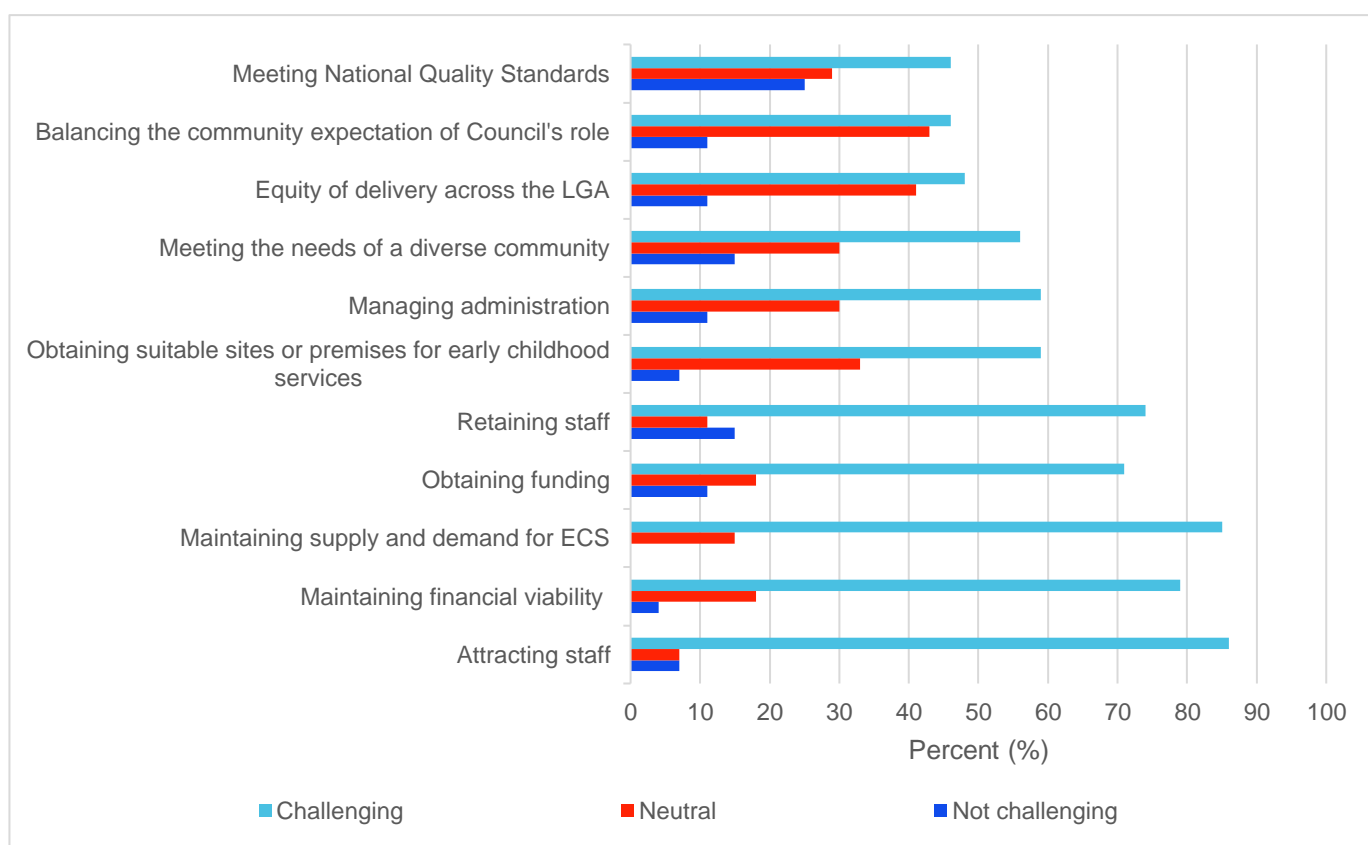
*Respondents from metropolitan areas also noted the good professional development programs linked to council, encouraging staff retention and loyalty over time.*

## 5.3 Challenges and Barriers for Councils

### 5.3.1 Overall issues

Across all feedback instruments, respondents were asked to identify what they saw as challenges or barriers council currently face in providing or commissioning ECS. Figure 40 presents the results from the Council feedback survey, albeit smaller than anticipated response rates.

**Figure 40: In terms of your Council, how challenging do you consider each of the following?**



Source: IPPG:CLG Council Feedback Survey, June 2023

Q3: 'In terms of your Council, how challenging do you consider each of the following?' n=27 to 28, 27 missing, 2023.

Across all options listed, a significant majority of respondents reported the issue to be a 'challenging' for their council, though those with high levels of 'neutral' or 'not challenging' responses (in descending order) included:

- Meeting National Quality Standards
- Balancing the community expectations of council's role
- Equity of delivery across the LGA
- Meeting the needs of a diverse community
- Managing administration
- Obtaining suitable sites or premises for ECS.

Details related to each of the other council challenges are expanded upon below.

### 5.3.2 Attracting and retaining staff

**Overwhelmingly, the most reported challenge councils faced in commissioning or delivering ECS related to staffing.** This included difficulties associated with:

- staff shortages
- recruiting and retaining qualified staff
- managing rosters and high staff turnover, in particular related to high rates of maternity leave and part-time return to work arrangements
- shortcomings in some staff's skills and capacity
- accessing staff training.

A number of reasons were given for staff shortages including: staff burnout; low remuneration rates; the impacts of the cost-of-living crisis and potential personnel seeking higher paid positions; limitations of the awards in respect to pay and conditions; childcare work being undervalued; plus the low status and reputation ECS in general – or as one respondent described it:

*“Our sector [ECS] generally has a bad rap.”  
(Metropolitan Council, Interview/ Focus Group)*

Attracting, recruiting and retaining staff is the biggest challenge councils face in delivering ECS, with 86% of council survey respondents reported attracting staff as challenging (see Figure 40). Many respondents noted that this is a “chronic issue” (Metropolitan Council, Interview/Focus Group) in the early childhood sector across the country, not only in local government delivered services.

Factors that made recruitment difficult included: low unemployment rates in general, causing increased competition from other sectors, many with “less demanding” working conditions; requirements for recruiting qualified staff- difficult in areas lacking access to universities or suitable RTO; regulations around staff to student ratios; and continuing impacts of the COVID-19 pandemic, with some staff reported as not wishing to return to work in the ECS.

*“There is an absolute shortage of staff... it's taken me eight months to advertise and get one person in a position. The policy around having qualified staff is a deal-breaker.”  
(Regional Town/City Council, Interview/ Focus Group)*

*“Recruitment is better than what it was during COVID, but trying to get higher roles like early childhood teachers is difficult. Majority want to work in the primary school systems.”  
(Metropolitan Fringe Council, Interview/ Focus Group)*

Low wages were also frequently cited as a key barrier to recruiting staff, particularly given the demanding nature of the role, the time and costs associated with acquiring the required qualifications, plus the competition from other council jobs, as well as non-council services.

*“Are staff paid enough to do these jobs? There's far better pay for far less demanding jobs. The Government needs to look at the wage structure,”  
(Rural Council, Interview/ Focus Group)*

*“We have traditionally paid better per staff than the modern awards, so it has been more attractive for staff, however that’s changed... Some of the other providers don’t have to follow those requirements or offer a \$5,000 incentive, so it makes it tricky for us to compete in that space.”*

*(Metropolitan Council, Interview/ Focus Group)*

74% of council survey respondents reported retaining staff as challenging (see Figure 40). Some respondents expressed that staff were experiencing burnout due to “a lack of educators” (Metropolitan Council, Interview/Focus Group) and as a result, staff were “reaching their limits (Metropolitan Council, Interview/Focus Group).

While all of the above challenges were widely shared by respondents, a number of other barriers raised related to staffing appeared specific to certain LGAs and suburbs. For example, the cost-of-living impacts and staff access to affordable housing were cited by only a few respondents (in particular those in higher income LGA), while insufficient access to public transport, and competition with higher paying private sector or NSW Government jobs were cited by others (in particular those in lower income LGA).

### **5.3.3 Funding model and costs**

**Access to sufficient resourcing and funding was a key challenge expressed by most respondents.** The current ECS funding models (see Section 2 for details) was considered “complex”, restrictive, “not uniform” and in many circumstances, “inadequate”. Current funding arrangements were also considered inequitable, with many respondents critical that for-profit and not-for-profit providers appeared to receive the same amount of funding.

*“Something needs to be considered in terms of local government or not-for-profit providers. We all get the same allocation of funding as for-profit providers. A lot of funding goes back into the staff, we don’t make profits!”*

*(Metropolitan Council, Interview/ Focus Group)*

*“The complexity of the funding- State funding, Commonwealth funding- they all have different requirements. For example, OOSH is not currently funded, so it’s hard to plan for the future.”*

*(Large Rural Council, Interview/ Focus Group)*

**Insufficient funding to cover the costs of children with additional needs or disability** was very commonly cited as a perennial challenge. It was noted that many staff are dealing with children that do not have a diagnosis nor have been previously identified as requiring additional support or interventions. This poses additional challenges for ECS staff needing to engage with families for the first time about what may be needed. Further, some respondents reported an increase in children in ECS that have behavioural needs – some observing a marked increase since the COVID-19 pandemic. As frequently behavioural needs “don’t come with a formal diagnosis”, there is generally no additional funding available to support council ECS and staff to manage this.

Council respondents expressed that the subsidy their ECS receive to cover the cost of children with additional needs does not cover the wages of the educator or support staff needed for them. While respondents believe that council services *should* take on children with additional needs and disability, they report “struggling” with doing so. ECS providers reported feeling

overburdened and under resourced when it comes to supporting these children, and catering for their individual needs.

*“We are inclusive because we’ve got a commitment to all children and they’re better with us than somewhere else...[However], the government needs to have a look at how they can put programs in place to support and increase access for children with disability.”*  
(Metropolitan Council, Interview/ Focus Group)

*“You can have multiple children [with additional needs] within your centre and they’re still funding for just one.”*  
(Metropolitan Council, Interview/ Focus Group)

Various council respondents reported that they were in a difficult financial position because of the current funding arrangements: they could either increase the fees for families, or “take a hit to their bottom-line”. Neither option was deemed appropriate by respondents who identified funding as a challenge.<sup>60</sup>

### 5.3.4 Building and infrastructure Issues

**Outdated infrastructure was identified as a key challenge faced by councils in delivering ECS.** Many council buildings currently home to ECS are reported as either or both:

- non-compliant with modern ECS requirements
- not fit-for- purpose or outdated in terms of size, layout, features or fit outs
- in need of refurbishment or maintenance.

Many respondents observed that these concerns were nor not viewed as an issue or priority within their council, most likely due to limited funding/resources, and providers in general lack other opportunities to receive funding to rectify or fast-track solutions.

*“Maintenance is expensive – roofing, flooring. If they put funding out its for programs for children.”*  
(Metropolitan Council, Interview/ Focus Group)

*“There’s a lack of complaint buildings [at my Council]... Capital buildings aren’t going to last - they need to be fixed up. In the next five years they won’t be compliant. The doors aren’t wide enough, there’s inadequate space for turning, and no wheelchair ramps.”*  
(Large Rural Council, Interview/ Focus Group)

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<sup>60</sup> For example, one respondent reported their Council contributed an additional \$386,000 a year to enrol and support children with additional needs in their ECS. The details are explained below:

*“The barrier to other providers enrolling children with additional needs is that the funding is only \$23 an hour. So if you need an additional staff member to support that child, well nobody gets paid \$23 an hour. For example, our staff on entry with no experience get paid \$29 an hour. That doesn’t include casual loading on top of that. So there’s a complete deficit of funding as soon as that child enrolls. You don’t actually get the full funding, so our council has 66 children with additional needs enrolled across our services. So, we have to “supplement” the additional costs to the tune of \$386,000 a year. That means a lot of the privates and corporates won’t take those children, because its loss making. Council has an equitable approach, so it channels a disproportionate amount of those children into council services.”*  
(Metropolitan Council, Interview/ Focus Group)



### 5.3.5 Electoral Impacts

**Some respondents reported that ECS services and facilities were not consistently a priority for their councils.** It was observed and that the short electoral cycle, and the prospect of changing mayors, elected councillors and shifting focus, posed a constant threat to the funding and viability of quality ECS.

*“[EC] education and care is always on the chopping block and constantly being reviewed... If you can't make [EC] services cost-neutral, the political threat is always there.”*

*(Metropolitan Council, Interview/ Focus Group).*

*“One [electoral] term you may have a large backing from them [elected officials], but the next council may come in and not understand the importance of ECS.”*

*(Metropolitan Council, Interview/ Focus Group)*

*“You're at the mercy of the elected body, and that can change depending on the people in power.”*

*(Metropolitan Council, Interview/ Focus Group)*

*“Local government is a key component to delivering quality childcare and it is unfortunate that many councils no longer see a role in this area.”*

*(Metropolitan Council, Council Feedback Survey)*

Furthermore, some council respondents reported of the constant advocacy role they needed to play within their council and of perennially compete with other council priorities and community demands.

*“We're always competing [for funding] with potholes, meals on wheels, library services etcetera etcetera.”*

*(Metropolitan Council, Interview/ Focus Group).*

It was noted by some that having a mayor or one or two council members with a background in community services and/or very focused on the needs of community, and specially families and children, was an important enabler to funding and also to councils continuing to run quality ECS to meet the heir local communities.

#### **Summary of key findings**

*The most reported challenge reported for councils who were delivering or commission ECS was staffing. The ability to attract, recruit and retain staff were impacted by factors such as the cost-of-living crisis, burnout, high maternity leave turnover, restrictive pay and low wages, and staff shortages exacerbated by the COVID-19 pandemic.*

*Current funding models and arrangements were also noted as challenging, given it was seen as complex, restrictive, not uniform, and in many circumstances, not adequate, particularly when covering the costs of children with additional needs. There were also perceptions of creating an uneven playing field in terms of resourcing, when comparing for-profit and not-for-profit services.*

*Outdated infrastructure was also seen as a key challenge faced by councils in delivering ECS, as well as the constant threat of these services being discontinued due to changing political priorities and leadership.*

## 5.4 Challenges and Barriers for Families

In addition to challenges and barriers faced by councils operating ECS, many respondents – including council staff and external stakeholders – also commented on the barriers that families face in accessing their services.

Figure 41 below shows the comparison between challenges ranked by the council survey respondents (n= 28) and challenges ranked by the external feedback survey respondents (n= 30 to 33). It is important to note that for council respondents, this question was positioned as their perspective on the challenges that their communities face, rather than the challenges that they themselves face.

The biggest challenges for local children and families as ranked by both cohorts were:

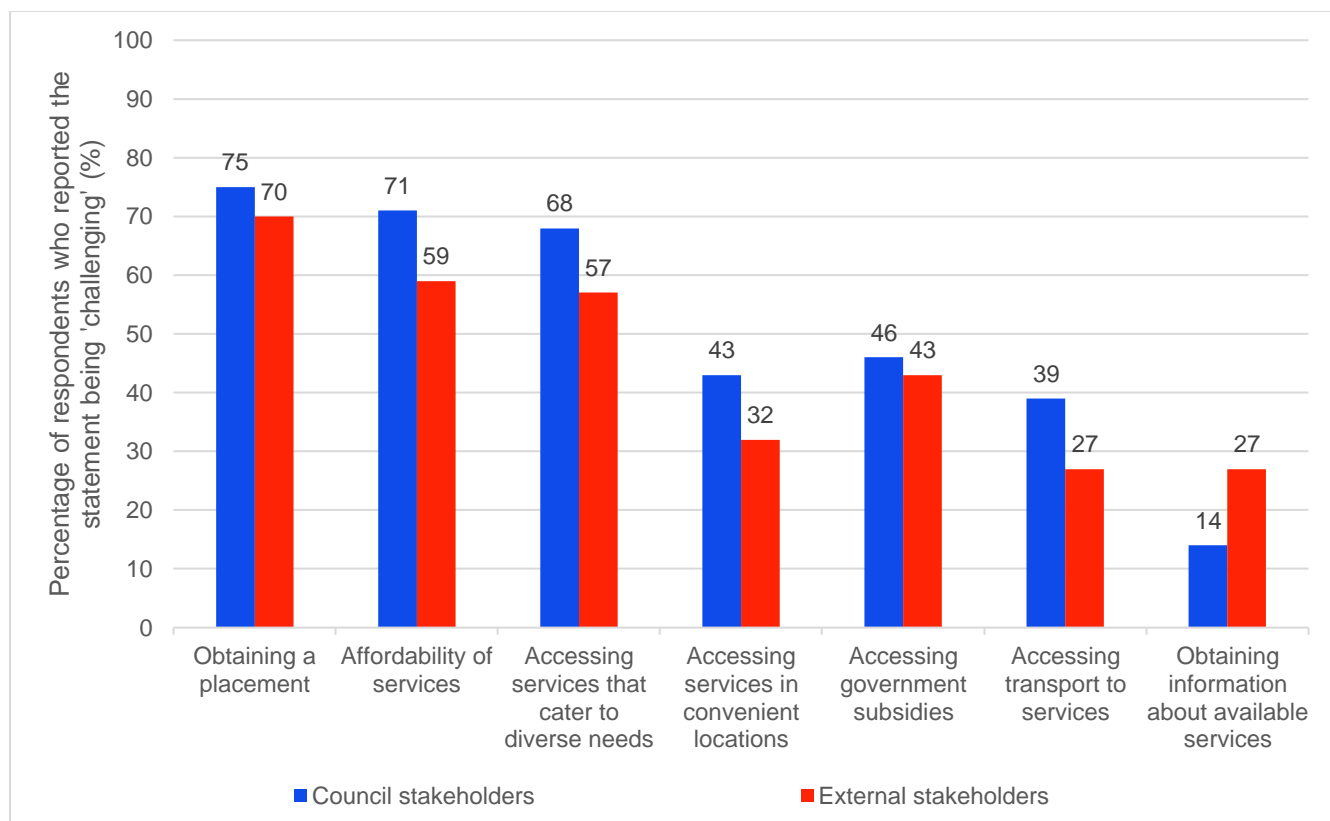
- Obtaining a placement
- Affordability of services
- Accessing services that cater to diverse needs.

Others considered challenging by a significant proportion of respondents (all be it less than half) included (in descending order):

- Accessing government subsidies
- Accessing services in convenient locations
- Accessing transport to services.

Obtaining information about available services was the only challenge that external stakeholders ranked higher than council stakeholders.

**Figure 41: How challenging do you consider each of the following [from the perspective children and families seeking local council ECS]?**



Sources: IPPG:CLG Council Feedback Survey, June 2023

Q4: 'In terms of your community, how challenging do you consider each of the following?' n=28, 26 missing, 2023.

IPPG:CLG External Stakeholder Feedback Survey, June 2023

Q3: 'How challenging do you consider each of the following?' n= 30 to 33, 31 missing, 2023.

### 5.4.1 Waitlists and obtaining a placement

**Long waitlists for council services were the most frequently reported barrier.** Waitlists were reported as more common for the under three-year age group, than those aged 3-6 years.

The reasons for long waiting lists were mostly linked to:

- growth in the population within a specific LGA
- small/ limited capacity of available ECS and specifically centre-based care
- the overall popularity of councils' services.

*"Our [council's centre-based] services are sitting at 98% full. You can't get in. Long waitlists, that's absolutely a barrier,"*  
(Metropolitan Council, Interview/ Focus Group)

*"[Our LGA] has waitlist of 1,900 children... This is due to a significant amount of growth in the area. A lot of families aren't able to access placements [through council ECS]."*  
(Metropolitan Council, Interview/ Focus Group)

### 5.4.2 Disadvantage and affordability of services

Respondents reported that families from low-income backgrounds face several types of disadvantage when trying to access council ECS. This includes:

- financial hardship and disadvantage
- access and transport barriers
- educational disadvantage or cultural barriers, particularly where families do not perceive ECS is necessary or appropriate, and/or where parents /carers are unfamiliar or suspicious of formal ECS settings in general.

*“When talking with community and service providers, there’s financial disadvantage, transport disadvantage - a lot of it is around the ability to actually walk into a centre. Some of these centres are daunting if you have a low education level. Walking into a centre when you’re doing it tough is really scary and can be intimidating for parents within the vulnerable community.”*

*(Large Rural Council, Interview/ Focus Group)*

*“[Our LGA] is quite polarised. Families are either well off or not. [Our LGA] has the highest number of rough sleepers in the state. The housing crisis is really an issue for families.”*

*(Regional Town/City Council, Interview/ Focus Group)*

*“There’s essentially is no public transport [in our LGA]. The train stops at [suburb] and doesn’t go any further, and there are very few bus services.”*

*(Regional Town/City Council, Interview/ Focus Group)*

### 5.4.3 Accessing services that cater to diverse cohorts

Despite inclusion being identified as a key strength of local government’s delivery of ECS (see details at Section 5.3.1), **cultural disadvantage was cited by some respondents as a notable challenge to some children and families**. The details of this issue varied between councils. For example, respondents from councils with significant numbers of new arrival migrants and refugee families reported barriers associated with a lack of access to transport, financial disadvantage, and also awareness of options available. This said some respondents also observed that their council were making “every effort” to make their ECS and particularly their centre-based services “as inclusive as possible”.

On the other hand, some respondents from rural councils felt that their services appear to have access barriers to local families with CALD or Aboriginal and Torres Strait Islander backgrounds.

*“[In terms of being] appropriate to CALD and Indigenous families and kids... well we’re working to support them in that.”*

*(Rural Council, Interview/ Focus Group)*

*“We definitely could do a lot better in making services CALD or Indigenous sound.”*

*(Rural Council, Interview/ Focus Group).*

It should be noted that the feedback gathered on this issue is likely to under-represent access barriers faced by both these two communities. As documented below, many respondents

identified there was a need for more to be done to ensure council ECS are inclusive of diverse groups within each LGA.

### **Summary of key findings**

*When looking at the barriers that families face in accessing council-run ECS, both council and external respondents ranked obtaining a placement, affordability of services and accessing services that cater to diverse needs as the top three issues. Long waitlists for council services were the most reported barrier.*

*Respondents also highlighted that families from low-income backgrounds face several types of disadvantage when trying to access services, notably financial, transport and educational. Cultural disadvantage was also cited by some, particularly for newly arrived migrant and refugee families, with many noting there were opportunities for them to be more inclusive of their CALD and Aboriginal and Torres Strait Islander populations.*

## **5.5 Future Service Delivery**

An important part of the UTS research was to identify what stakeholders felt should be the focus and priorities of future local government ECS. As documented in

Figure 42, when council staff were asked how local children and their families could be better supported, most respondents nominated the following areas to be of highest priority for their respective councils:

- Improved collaboration between council and the NSW Department of Education (74% high priority)
- Improved attitude and commitment of council towards early childhood services (63% high priority)
- Increased council investment in early childhood services (61% high priority)

Two other priorities where most though not all ranged them high priorities were (in descending order of priority):

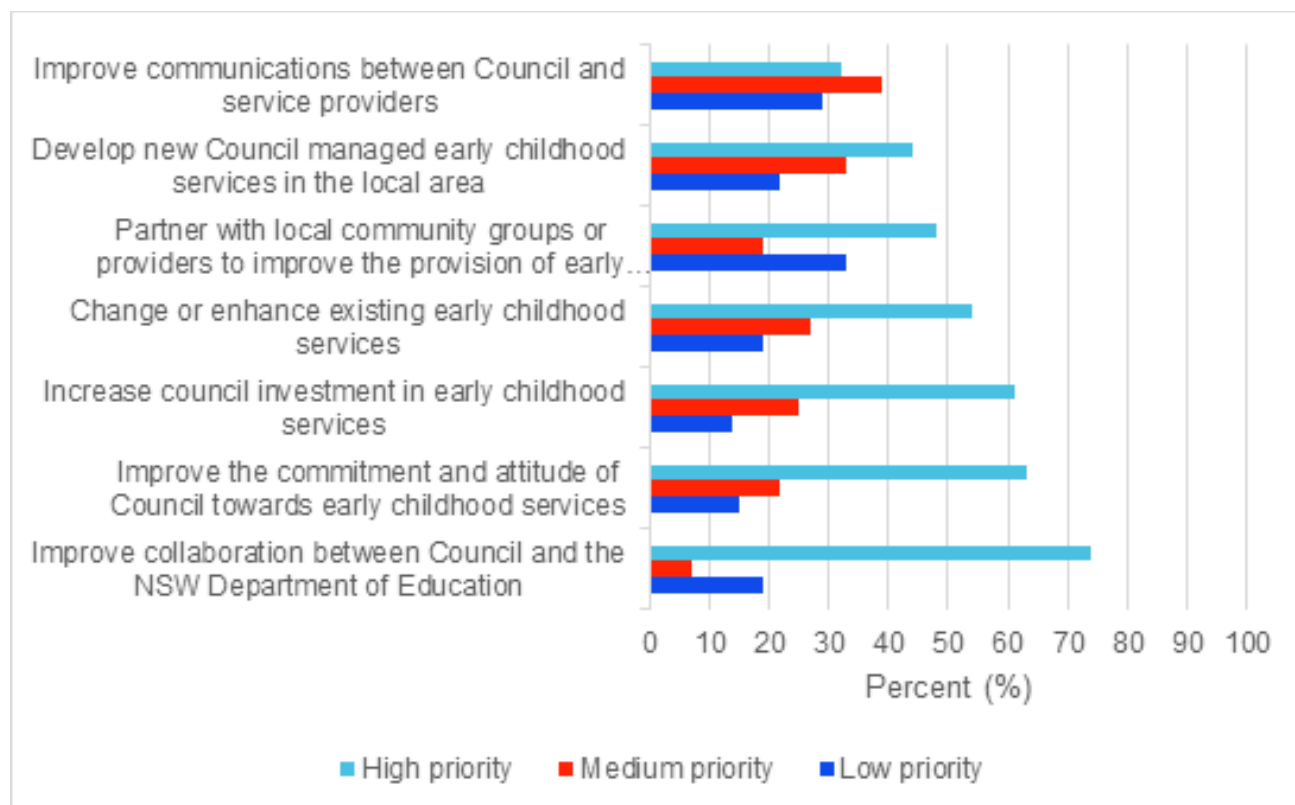
- Change or enhance existing ECS (54% high priority)
- Partner with local community groups or providers to improve ECS (48% high priority)

Respondents were more mixed in their priority rating on:

- Develop new council managed ECS in the local area (44% high priority; 33% medium priority; 22% low priority)
- Improve communications between council and service providers (32% high priority; 39% medium priority; 29% low priority)

Clearly, both these issues would be location and council specific.

**Figure 42:** *If you were able to support local children and families, how would you prioritise the following?*



Source: IPPG:CLG Council Feedback Survey, June 2023. Q7: ‘If you were able to support local children and families, how would you prioritise the following?’ n=26 to 28, 28 missing, 2023.

### 5.5.1 Political and Financial Risks

As discussed in Section 5.4.4, respondents noted that council provided ECS face **genuine risks based on the election cycle and ongoing changes in how individual councils value, fund and prioritise ECS within their overall suite of services for their communities.**

Various respondents expressed this as a genuine “threat”, and noted that while it was continuously changing, the risk of discontinuation or downsizing was perennial, posing ongoing challenges and uncertainties for many councils, and for their staff and communities. As observed:

*“With so many councils no longer offering ECS, my Council like many others are forever debating when, if or how we should exit this space... It really makes for an uncomfortable working environment, especially when you see it has been again raised at Council.”*  
(Regional Town/City Council, Interview/ Focus Group)

Respondents across various councils reported they and their Directors feeling substantial pressure to consider whether to dissolve themselves of ECS entirely. The main reasons given for councils considering this included:

- ongoing and increasing operational costs
- perceived benefits to comparative councils who no longer offer ECS
- levels of competition from existing or proposed for-profit and not-for-profit providers



- ongoing challenges with recruiting and retaining staffing to be compliant.

*“In less than five years, Council will look at whether they want to stay in children’s services. The cost to them will be huge in the decision-making process.”*

*(Metropolitan Council, Interview/ Focus Group)*

*“There’s a local government election next year. The political hotpot will be boiling over early childhood services.”*

*(Metropolitan Council, Interview/ Focus Group)*

### **5.5.2 Limited profile in other council frameworks and plans**

When respondents were asked whether ECS were considered in other planning considerations, including environmental planning, most respondents said that they were not. A few noted that this had led to significant underservicing in some suburbs or towns.

*“Lots of [our] outlying towns don’t have childcare services... Lots of [new] development is happening, but I can’t see any consideration for ECS.”*

*(Regional Town/City Council, Interview/ Focus Group).*

Respondents observed that not considering ECS, or the needs of families and young children in Council’s planning processes could become “a vicious cycle”, devaluing and their de-prioritising.

*“ECS are not at the forefront of [our planner’s] thinking and poses a further threat to the future of council’s role in ECS. It was also noted that ECS are not core business of many councils and therefore not consistently integrated into integrated planning and reporting frameworks and documents”.*

*(External stakeholder, survey response)*

### **5.5.3 Opportunities for federal or state government assistance**

When asked what the Federal or state government could do to assist councils, most responses were focused on:

- additional funding levels
- better levels of staffing and wages
- access to ongoing training and ECS staff capacity building

Many respondents reported the need for federal and state governments to raise the profile of local government ECS, and more important increase funding available to councils, prioritising resources for:

- supporting children with additional needs
- modernising and improved facilities and infrastructure
- assisting with improved ECS management and operations.

There were also calls for governments to remove the complexity around funding streams, with requests for funding for ECS to be consolidated, and also extended over longer periods of time to reduce sustainability risks. Some respondents also made reference to inadequate funding for service types such as Family Day Care and OOSH, which further made it difficult to plan for the future.

*“[Funding for ECS] needs to be streamlined so there aren’t four different funding streams.” (Large Rural Council, Council Feedback Survey)*

*“It would be great to have longer funding agreements to allow for long term planning.” (Large Rural Council, Council Feedback Survey).*

Respondents also requested support with increasing wages and training subsidies so as to attract and retain staff. Some respondents called on government to offer incentives to help attract and retain staff, particularly in rural and remote areas. It was noted that without this, and based on current award rates council ECS could not compete with the better conditions offered to primary and secondary school educators, or in other parts of the community services sector.

*“We lose [ECS] staff to work at the primary school, including as support teachers. They get paid better, and they get longer holidays.” (Large Rural Council, Council Feedback Survey)*

*“It’s hard to attract people to studying the degrees or certificates, especially in rural or remote areas. They don’t have incentives in the children’s services, but they do for primary and high school.” (Regional Town/City Council, Interview/ Focus Group).*

*“It would be great if there was a grant to get early childhood teachers practical paid. Even if HECS was covered for a year to go work out rural and remotely.” (Large Rural Council, Council Feedback Survey)*

### **Summary of key findings**

*When thinking about future delivery of ECS, most respondents nominated the following areas of highest priority for their respective councils:*

- 1. Improved collaboration between council and the NSW Department of Education (74% high priority)*
- 2. Improved attitude and commitment of council towards early childhood services (63% high priority)*
- 3. Increased council investment in early childhood services (61% high priority)*

*Respondents continued to highlight that short term politics posed a threat to how ECS were prioritised and funded. The lack of consideration of ECS in planning decision and in IP&R frameworks was also flagged as a further threat to local government’s role in providing ECS in the future. Most respondents identified the need for federal and state governments to increase funding for ECS, particularly for children with additional needs, infrastructure and operations. There was also requested support for increasing wages and training subsidies, particularly in rural and remote areas, so that ECS could compete with the better conditions offered in other sectors.*

## 6 Local Government ECS Case Studies

*This section contains a snapshot of the four case studies undertaken involving Tier 1 councils. The full case studies are included at Appendix 4.*



As outlined in Section 1, IPPG:CLG undertook to conduct in-depth research on eight Tier 1 councils, using a combination of desktop findings, census survey results, plus interviews and focus groups with key personnel within each Council.




Only four councils fully engaged in this research activity, and approved for detailed analysis of their specific ECS offerings, strengths and challenges to be written up in the form of detailed case studies.

Figure 43 provides a snap-shot summary of the Tier 1 council case study undertaken, with the full case studies found in Appendix 4. It should be noted that the content included in the Appendix was approved for inclusion in this report.

What follows is a snapshot summary of each case study with full details included in an interview were sent their case study to review before publishing to ensure it was accurate and to make any changes necessary.

**Figure 43: Summary of Tier 1 council case studies**

Council	Snapshot of ECS Status
<p><b>Byron Shire Council</b></p> 	<p>Byron Shire is a regional LGA located in Northern NSW. Byron Shire Council reported that council-run services consisted of 1 long day care and 4 OHSC including vacation care. The strength of these services was their community focus, as well as their ability to work with other parts of Council and their local community partners.</p> <p>There were however a number of challenges highlighted regarding staffing, waitlists, infrastructure and regulations. The Shire continues to grapple with population increases and housing price increases since the COVID-19 pandemic, mostly due to the mass exodus of people living in major cities to regional areas, and this will have an impact of ECS provision and delivery into the future.</p>
<p><b>Campbelltown City Council</b></p> 	<p>The City of Campbelltown is a LGA located on the metropolitan fringe of Greater Sydney in NSW. It has areas of disadvantage, however it is a Strategic Centre outside of Sydney and Parramatta CBDs. The increase in population is expected to translate to heightened demand for Council-run ECS.</p>

Council	Summary of case study
 <p>CAMPBELLTOWN CITY COUNCIL</p> <p>continued</p>	<p>Council reported that council-run services included 8 long day care, 1 family day care and 2 OHSC (with 1 including vacation care). Council's services were considered equitable, high quality and responsive to the cultural diversity of the local community. They were however experiencing a range of challenges, including staff shortages, poor infrastructure and the ongoing impacts of the COVID-19 pandemic. Moving forward, there is a need to address issues around long waiting lists, pricing and the increased number of children with additional needs requiring care.</p>
<p><b>Muswellbrook Shire Council</b></p>  <p>muswellbrook shire council</p>	<p>Muswellbrook Shire is a large rural LGA in the Hunter New England region of NSW. The LGA is expecting modest population growth largely associated with more affordable housing, a diversifying economy and expanding educational opportunities. Council does not run any ECS, rather plays a supportive role by resourcing and supporting early childcare services as well as rent subsidy to two not for profit early childcare centres. Council focuses on building strong relationships and networks with providers and community members, particularly with their large Aboriginal and Torres Strait Islander population.</p> <p>Council noted a number of barriers and challenges to ECS planning and delivery, including financial burdens, staffing constraints, and socioeconomic and transport barriers. There are a number of key opportunities for Council in the future, including restarting their early years' childhood network and school readiness programs, as well as more partnerships and training with state government.</p>
<p><b>Northern Beaches Council</b></p>  <p>northern beaches council</p>	<p>The Northern Beaches is an affluent and prosperous LGA in metropolitan Sydney. Northern Beaches Council reported that council-run services included 6 long day care services, 2 vacation care, 1 community preschool, 1 preschool and vacation care, 1 family day care and 1 occasional care.</p> <p>The reported strengths of Council's services were that they were diverse, equitable, high quality, and had a strong focus on partnerships with local services.</p> <p>The Council, however, noted a number of challenges related to staffing, long waitlists, restrictive funding models and unable to adequately service children with additional needs.</p> <p>The key issues and options moving forward included the need to look at more agile models of service delivery, the potential for more partnerships, and financial and political pressures.</p>







## 7 Key insights and options for the future

*This section presents key insights that have emerged from the research findings presented in the preceding sections of this report. More specifically it answers the final research question, namely:*

*What options or recommendations arise from the research evidence, including on types of ECS services and supports that could be provided to councils to enable them to better meet the needs of local communities?*

### 7.1 Key Directions

Analysis of the IPPG:CLG research findings highlight **six key directions** for how the Department could better support local government in their provision of quality ECS to their local communities, families and children. While the research evidence was primarily focused on those councils currently offering ECS, these directions could apply equally to all councils.

-  **1) Enhance recognition and increase engagement and dialogue with the local government sector across NSW.**
-  **2) Undertake supplementary research on the ECS landscape in NSW, and the changing role of local government within it.**
-  **3) Encourage and support ECS needs analysis and long-term planning to facilitate sustainable decision making and resource allocation.**
-  **4) Build the workforce and enhance ECS capacity to meet quality standards and address high priority groups.**
-  **5) Support increased collaboration and referral pathways for vulnerable, at risk and disadvantaged children and families.**
-  **6) Provide direct assistance and support to those councils with high levels of needs and significant funding shortfalls.**

What follows is a distillation of the evidence and the key actions arising, linked to the directions (and corresponding colours) above.

Naturally, any decision to progress these options will need to be carefully balanced and integrated with other ECS research and policy directions being pursued by the Department, though not accessible to the IPPG:CLG researchers at this stage.

## 7.2 Lessons and Options Arising

The research highlighted that councils are highly valued, respected and trust-worthy providers of ECS. The need for council-run ECS was particularly important in low-serviced areas, such as in some rural and regional areas. Further, the gaps in service provision in these areas should be an ongoing priority for funders and policymakers.

- ➔ 1] Recognise the importance of council-run ECS, particularly in thin markets, and investigate options for financial and other forms of support to meet the needs of their communities, particularly where service choice, access, inclusion and affordability are factors within the LGA.

Local government are major contributors to the provision of ECS in NSW, currently delivering a combined total of 315 service offerings. These are spread across precisely half (64) of the 128 councils in the state, with higher concentrations of provider councils based in metropolitan areas.

Long Day Care is the most common service type, delivered from 168 service sites. It is offered by 43 councils (34% of all councils). Other ECS services offered to local children and families (in descending order) were:

- Vacation Care offered by 33 councils (26% of all NSW councils)
- Family Day Care and OOSH services, each offered by 30 different councils (23% of all NSW councils)
- Preschools (42 in total) offered by 24 different councils (19% of all NSW councils)
- Occasional Care offered by seven different councils (5% of all NSW councils)
- 35 councils (27%) provide 'other' ECS services with the most common reported being playgroups and library story times.

As this represents a significant level and breadth of service offerings to local communities, it is important for governments at all levels to ensure their service role is fully factored into future ECS policy, planning and funding decisions.

- ➔ 2] Strengthen how the Department engages with the local government sector regarding NSW ECS policy, planning, capacity building and funding.

In the first instance, this might occur through:

- a) established NSW council forums and dialogue overseen by the NSW Office of Local Government and to a lesser extent Local Government Association of NSW.
- b) professional networks such as the Local Government Children's Services Managers Network.

As may be expected, the number of council-run ECS are considerably more concentrated in metropolitan parts of the state when compared to rural and regional areas of NSW, with most centre-based services stating that they were running at capacity. It is important to note that this research solely focused on ECS run by local councils. It provides no insight into ECS run by other entities (e.g. for-profit/private, not-for-profit/community, federal or state government-led) and further investigation is required to gain a more complete picture of ECS provision across NSW.

It was also noted the views of current and future ECS service users, and specifically parents and carers, would further round out this research.

- 3] Commission further research and/or integrate these local government research findings with other research evidence to gather a fuller picture of the ECS landscape across NSW, with specific reference to:
- a) Non-Council ESC services available at an LGA level
  - b) The perspectives of parents and carers of children, with a focus on those aged 0-6 years.

The research highlighted a varied and changing landscape in respect to the role local government in ECS provision across NSW. Stakeholders indicated that while councils often undervalued, and insufficiently prioritised ECS (within both their external service offerings, and internal planning and resourcing instruments), they nonetheless were seen to be directly contributing the council's commitments to public good, and supporting community wellbeing, as well as creating positive social and economic opportunities for their residents.

This partial disconnect between the overall status of local government ECS, their valued role in the community at large, and their capacity to grow, innovate and attract resourcing to improve their offer, suggests value in improving councils' access to quality information on how to strengthen their ECS, and also better embed them into core council business. To do this effectively, will require coordination with a range of interested parties.

- 4] Strengthen collaborations between the Department, ECS sector and advocacy groups, and NSW local government forums and channels in order to facilitate improved access to information, advice and support regarding quality ECS at the local level.

In particular, efforts could focus on research and dissemination of good practice options and case studies designed to assist ECS-provider councils to:

- a) better integrate ECS into
  - i. IP&R frameworks, including their CSP, DPOP documentation
  - ii. other planning instruments, master plans, council strategies and actions plans.
- b) improve service quality overall and better promote and grow their ECS service reach.

- c) have ongoing access to evidence-based research findings and innovative practice models through:
  - i. coordinating content available on websites, including the Department's
  - ii. regularly disseminating easy-to-digest research translation summaries
  - iii. coordinating with and resourcing existing local government and ECS forums, including Local Government Children's Services Managers Network.

Various feedback indicated that many council ECS appear to operate "below the radar", which was seen as counterintuitive given their importance to the local families and children they served.

It was noted that, over the last 10-20-years, many councils have debated whether direct ECS provision is a core responsibility of local government, and if currently services and facilities are viable and sustainable in the longer term. These debates were reflective of factors including:

- a) changing political, economic, social and civic leadership priorities of elected officials and, to a lesser extent, their leadership teams
- b) overall financial viability of councils and ongoing cost projections based on available rates, fees and charges
- c) actual or potential competition from private and NFP ECS providers within the LGA, as well as increasing levels of maturity and quality assurance across the sector
- d) comparisons with the increasing numbers of council's exiting direct service provision

Unfortunately, and despite best efforts, the IPPG:CLG research did not gather sufficient evidence on the comparative benefits and risks for different types of councils and their communities from either continuing with the status quo, adding different models of ECS or discontinuing as a direct provider.

→ 5] Commission follow-up, targeted research on the overall cost-benefits, plus opportunities and threats for councils and their communities comparing those with and without direct ECS.

Consideration could be given to benchmarking a select number of comparable councils, including a cross section of metropolitan, regional and rural councils which:

- a) have not provided ECS for over 10+ years
- b) have recently exited or are planning to exit direct ECS provision
- c) have long term commitments to maintaining existing service offerings
- d) are planning on growing or diversifying their service offerings.

As expanded upon later, the research noted that given nation-wide staff shortages and specific difficulties in attracting and retaining qualified ECS staff, particularly outside of metropolitan areas, more consideration needs to be given to these impacts on the continuing provision of quality ECS services.



→ 6] Research, review and potentially introduce short-term variations or special consideration of ECS standards and ACECQA ratings in recognition of ongoing structural challenges in recruiting and retaining the full spectrum of qualified staff, particularly outside of metropolitan areas.

While the research aimed to document alternative or innovative ECS service models and collaborations, overwhelmingly councils were found to be continuing to deliver and report on the same service types that have existed for over twenty years. There was little to no documentation of the existence of hybrid, mobile, new or flexible service types, though anecdotally evidence has suggested that examples do exist.

Notwithstanding some potential limitations with how councils reported on their ECS, the evidence suggests that most councils are continuing to design and deliver services based on historical factors and funding drivers, thereby allowing the current state to largely dictate the future state in terms of both service types and service locations. This issue appears most stark for some older ECS centres, which may not be fit-for-purpose for reasons including local demographic changes, transport access, physical layout and design, plus contemporary accessibility, amenity and aesthetic issues.

→ 7] Encourage and support councils to undertake robust ECS needs analysis and long-term planning to facilitate sustainable decision making and resource allocation.

Consideration could be given to offering grants to commission research and analysis at the LGA level with requirements to review:

- a) unmet needs and community expectations
- b) introduction of modified, innovative and alternative ECS service models
- c) complementing and/or strengthening interrelationships with other Council, private and NFP services and infrastructure
- d) based on the evidence, preparing a 5–10-year ECS Strategy and Action Plan including sustainable resourcing options.

The research found that the biggest challenge facing councils delivering ECS is attracting, recruiting and retaining qualified ECS workers. Feedback indicated that this was in part linked to negative perceptions of the value and remunerations associated with the early childhood sector.

→ 8] Explore options including incentives to assist councils to attract, recruit and retain ECS personnel.

Consideration could be given to introducing a suite of options including:

- a) subsidised degrees
- b) paid placements
- c) offering incentives or top-up remuneration and benefits, including flexible work arrangements and additional leave entitlements

- d) quality professional development programs and career path opportunities.
- e) rural inducement/ relocation or travel packages for parts of NSW where staff shortages are most acute.

→ 9] Investigate modified regulations around ECS staff to student ratios, as well as staff qualifications, as a short-term option for struggling ECS.

The research highlighted that many ECS were struggling with the costs and resourcing demands associated with the rising number of children with additional needs and/or disability. Anecdotal evidence suggests that council ECS will often “step in” and provide services to children with additional needs where for-profit providers won’t.

→ 10] Explore targeted funding and resourcing options to better support ECS with shortfalls related to children with additional needs or disability.

Consideration could be given to resourcing options that:

- a) increase staff: child ratios where multiple children are involved
- b) build the capacity of existing staff to better support children at the local level
- c) resource additional or ‘floating’ child support specialists available to provide tailored support, advice, referrals, and assistance to individual children, their family and ECS staff when needed.

The research found that few councils across NSW offer programs explicitly dedicated to Aboriginal children or CALD communities. This said, it was noted that council services in general were informed by robust access and equity policies and procedures, including formal inclusion strategies and in many instances Reconciliation Action Plans. Nonetheless, it was evident that many ECS would benefit from additional support to ensure their promotions, planning, infrastructure, staffing profile, and day-to-day service offerings were appropriate and appealing to the full spectrum of local children and families, and were in other ways culturally safe, accessible and inclusive.

→ 11] Explore targeted funding and resourcing options to assist individual ECS better engage with, attract, and retain the full spectrum of local children with a specific focus on local First Nations, CALD and new arrival children and families.

The supply and demand for ECS varied across NSW, however in general, metropolitan councils had better service coverage and marginally better capacity than their regional and rural counterparts.

Service coverage of ECS was also generally better in areas with low to middle socio-economic disadvantage. The research found that, for school hours care in particular, the highest service coverage was found in LGA with the lowest socio-economic disadvantage, while the lowest service coverage was found in LGA with the highest socio-economic disadvantage.

→ 12] Explore targeted funding and resourcing options to optimally support LGA with high socio-economic disadvantage that have low ECS coverage.

Feedback indicated that overall these local government services are highly valued by their communities, are perceived as trusted and offering good quality education and care services. It was observed that when working well, Council ECS were able to leverage and link with other parts of their Council, drawing on other professionals, available services, resources and infrastructure. There were also reported pathways for ECS staff to connect into local and regional collaborations - such as interagency groups and professional networks – often supported by their Council directors and managers responsible for children, community and/or human service areas.

ECS staff noted the value of establishing partnerships with existing services such as health and medical services, and other community-based support organisations, albeit noting this was frequently difficult given available resourcing, workloads pressures and rostering limitations.

When stakeholders were asked to identify preferences to strengthen services in the future, strengthening collaborations between councils and the Department in the provision of ECS received the highest rating.

→ 13] Facilitate and resource at LGA or regional levels, options to support enhanced collaborations and referral pathways, with a specific focus on better addressing the needs of vulnerable, at risk and disadvantaged children and families engaged in the ECS system.

While Council-run ECS are recognised as having solid policies and practices, and generally good track records for meeting or exceeding ACECQA assessments and ratings, the evidence nonetheless suggests there are some ongoing constraints and challenges for some services in consistently maintaining service and staffing requirements. The current constraints were primarily associated with workforce challenges (discussed above), plus resourcing shortfalls in respect to ongoing maintenance, capital works and expanded services in terms of activities and/or placements.

→ 14] At a NSW-wide level, explore options for further supplementing ECS staff networks and capacity building programs.

Considerations could be given to options to better enable:

- a) the establishment and/or maintenance of cost-effective professional training in evidence-based child engagement, education, care and support options including in referral pathways
- b) strengthening ECS-related partnerships and collaborations, including jointly delivered service models (potentially involving local allied health professionals), outreach programs and other alternative or innovative options suitable to local unmet needs

- c) preparation of new or updated good practice guidelines or protocols to support staff to better manage high impact/ high risk situations likely to be encountered within ECS settings
- d) additional guidance, practical support and case studies on how to more consistently meet or exceed ACECQA assessments and ratings.

Lastly and importantly, the IPPG:CLG research highlighted various issues related to current ECS funding models and funding arrangements. These were widely reported as:

- complex
- restrictive
- inconsistent
- not adequate, particularly in connection to costs associated with:
  - meeting and reporting on services and standards
  - supporting the burgeoning number of children with additional needs/ disability.

There was also a strong perception of inequity based on the belief that council, for-profit and not-for-profit ECS providers had common access to funding, irrespective of financial need, level of disadvantage, inclusion/ exclusion practices, and/or local supply and demand issues. In short, the research highlighted views of an uneven playing field in terms of ECS resourcing.

→ 15] Review core and supplementary ECS funding models and arrangements to improve transparency and equity in resourcing available to local councils, and particularly those operating services in thin markets and/or with low SEIFA scores.

Consideration could be given to options to:

- a) streamline funding streams and processes to reduce levels of complexity and compliance costs
- b) strengthen mechanisms to redress/ deliver better outcomes for disadvantaged LGA and ECS, including those :
  - i- experiencing ongoing resourcing challenges or temporary hardships (for example in wake of a natural disaster or the closure of major employer locally)
  - ii- facing other high risk and viability challenges.
- c) establish longer term funding agreements for council ECS to:
  - i- deliver greater levels of service/ staff security
  - ii- encourage sustainable service planning

While not a prime investigation topic, the IPPG:CLG research did identify that a significant proportion of local government ECS infrastructure was considered old, outdated in terms of design and fit-outs, and/or in need of capital works and maintenance. This suggested the need

for additional resourcing not only focused on operational and staffing issues (as documented above) but also towards infrastructure upgrades.

→ 16] Review options for a one-off or ongoing capital works and major maintenance contribution program for inferior or underperforming facilities based on strict needs-based criteria.

Another topic requiring consideration and possible remedies were the barriers many families face in accessing council-run ECS. The top three most significant barriers were:

- securing a placement, associated with services being at capacity or having to long waitlists
- affordability of services
- accessing services that cater to diverse needs.

These findings underline the importance of ensuring adequate funding for council-run ECS, ensuring services are inclusive and accessible to the diverse needs of local communities, and better resourcing and upskilling ECS staff to meet the needs of children with additional needs or disability.

It also suggests the need to better support families experiencing difficulties in accessing ECS related to these and other barriers, including a lack of access to affordable and convenient transportation.

→ 17] Further investigate and advocate for improvements to child care subsidy arrangements and other direct support options for families unable to meet out-of-pocket expenses, or facing other affordability or access barriers, including those require assistance with transportation to access ECS.

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# Appendices

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## Appendix 1 – Terminology and Definitions

In this report:

**Early childhood services (ECS)** refers to as any service which aims to deliver developmental, educational, and care to children aged 0 to 12 years, with a primary focus on children aged 0-6 years. In some source documents, these types of services are referred to as early childhood education and care (ECEC) services, though to encompass both ECEC services and other early childhood services offered to children and their families, the term ECS has been used.

Unless qualified, all references to local council ECS refers to:

- Preschools
- Long Day Care
- Family Day Care
- Occasional Care
- Out of School Hours (OOSH)
- Vacation Care
- Other services delivered to children aged 0-6 years.

While ECS is used throughout this report, where the literature or source document adopts other terms such **early childhood development (ECD)**<sup>61</sup>, **early childhood education (ECE)**, or **early childhood and education care (ECEC)**, these source terms are used for accuracy purposes.

**Centre based day care** refers to an education and care service other than a family day care service that are delivered at a centre.

For the purposes of this project, **centre-based school hours care** refers to Preschools, Long Day Care and Occasional Care.

**Children with disability** refers to a child that has a need for additional assistance in any of the following areas (learning and applying knowledge, education; communication; mobility; self-care; interpersonal interactions and relationships; other – including general tasks, domestic life, community and social life) compared to children of a similar age, that is related to underlying long terms health conditions or disability.

**Family Day Care** refers to services providing small group ECS for children in the home environment of a registered carer. Family day care is aimed at 0–5-year-olds, however primary school children may also receive the service before and after school and during school holidays.

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<sup>61</sup> UNICEF (2018) '[Early Childhood Development in the UNICEF Strategic Plan \(2018-2021\)](#).'

For the purposes of the Census for this project, Family Day Care is referred to **home-based care**.

**Long day care** refers to services aimed at 0–5-year-olds that are provided in a centre, usually by a mix of qualified and other staff. Educational, care and recreational programs are provided based on developmental needs, interests and experience of each child. Long day care services may operate from a stand-alone or shared premises, including on school grounds.

**Local Government Area (LGA)** refers to an administrative division of NSW that a local council is responsible for.

**National Quality Framework (NQF)** refers to the national system (jointly governed by the Australian Government and State and Territory governments) which aims to raise quality and enable continuous improvement in ECS. The framework came into effect on 1 January 2012 and consists of the following:

- an applied law system, comprising of the Education and Care Services National Law and the Education and Care Services National Regulations
- the National Quality Standard (NQS) – which sets a national benchmark for the quality of services in seven key quality areas
- an assessment and quality rating process
- national approved learning frameworks
- a regulatory authority in each state and territory responsible for the approval, monitoring and quality assessment of services in their state and territory
- a national body – ACECQA which guides the implementation of the NQF and works with regulatory authorities.

**NQF approved services** refers to an approved provider (under the NQF) that must apply for and be granted a service approval for each education and care service it wants to operate. There are two types of approached services under the NQF: Centre-based care services and Family day care services.

**Occasional care** refers to services usually provided at a centre on an hourly or sessional basis for short periods or at irregular intervals for parents who need time to attend appointments, take care of personal matters, undertake casual and part time employment, study or have temporary respite from full time parenting. These services provide developmental education and care activities for children, and are aimed at 0–5-year-olds. Centres providing these services usually employ a mix of qualified and other staff.

**Outside school hours care (OSHC)** refers to services that provide care for school aged children before school, after school, during school holidays, and on pupil free days. OSHC may use stand-alone facilities, share school buildings and grounds and/or share facilities such as community halls.

For the purposes of the Census for this project, **outside school hours care** comprises of OOSH services, vacation care and other.

**Preschool program** refers to a structured, play-based learning program, delivered by a qualified teacher, aimed at children in the year or two before they commence full time schooling. This definition is the same for all types of institutions that provide it, for all service settings, and includes both government funded and privately provided preschool programs.

**Preschool services** refer to services which deliver a preschool program. The preschool service type can be delivered from a range of service settings. Service settings include stand-alone preschools or kindergartens, preschools attached to a school and other service centres, such as long day care centres.

**Priority Groups** refers to three cohorts of ECS users the Department identified as requiring specific focus based on their identified or unique needs. They comprise:

- Aboriginal and Torres Strait Islander children
- Children and families with CALD backgrounds
- Children with disability or additional needs.

**School hours' services** refers to the term used in the Census for this project to describe both Centre-based school hours care and Home-based care/ Family Day Care.

**SEIFA** refers to [Socio-Economic Indexes for Areas](#) in Australia and is used by the Australian Bureau of Statistics to rank areas according to the relative socio-economic advantage and disadvantage. Lower scores indicate areas of relative disadvantage compared to areas with higher scores.

**Service** refers to an individual location or establishment providing ECS. One service (i.e., location or establishment) may provide more than one ECS (e.g. a long day care service and preschool service, or two child care service types).

**Service type** refers to the following categories of ECS which are used in this project: Preschools, Long Day Care, Family Day Care, Occasional Care, OOSH, Vacation Care and Other.

**Vacation care** refers to services provided for children enrolled in schools (4–12-year-olds) during the school holidays.

## Appendix 2 – Census Database Fields

The table below outlines the key data fields collected on NSW council ECS by the IPPG:CLG research team. The data is presented in a companion Excel database and Power BI resource that have been separately submitted to the Department as part of this research project.

The database contains information for all 128 councils in NSW, noting that only the 64 that provide ECS include complete or near complete data sets. The data presented is valid as at June 2023. All rows map to individual councils.

Readers are referred to Excel database and Power BI companion documents should they wish to know more about any one council or ECS type. The companion Excel database to the report - containing the results of the mid 2023 census of ECS services provided by local government in NSW includes the following data fields:

<b>A) LGA Profiling Fields</b>
• <b>ABS ID</b>
• <b>LGA name</b>
• <b>Council name</b>
• <b>Local Health District</b>
• <b>Department of Communities and Justice District</b>
• <b>EC services provided</b>
• <b>Number of centres</b>
• <b>LGA Population</b>
• <b>Aboriginal and Torres Strait Islander Population</b>
• <b>NSW OLG council type</b>
• <b>SEIFA decile</b>
<b>B) ECS Information</b>
• <b>(By Council) ECS service name</b>
– <b>Address and contact details</b>
– <b>NQAITS ID</b>
– <b>Service type:</b>
a) preschool, long day care, occasional care, OOSH, vacation Care, other
b) Combined centred-based school hours care
c) Combined home- based school hours care
d) Outside of school hours care
e) School hours care

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– <b>Total places per day</b>
– <b>Enrolment level</b>
– <b>Aboriginal language program</b>
– <b>Dedicated program doe Aboriginal children</b>
– <b>CALD service</b>
– <b>Age ranges of children attending:</b> <ul style="list-style-type: none"><li>• 0-24 months</li><li>• 25-35 months</li><li>• 36- preschool (3- 5 years)</li><li>• School aged (6+)</li></ul>
– <b>Parent focused</b>
– <b>Hybrid delivery</b>
– <b>Identified needs services provided (in this report referred to as ‘priority groups)</b> <ul style="list-style-type: none"><li>• <b>Aboriginal and Torres Strait Islander</b> specific services (with description)</li><li>• CALD specific services (with description)</li><li>• Children with disability and additional needs (with description)</li></ul>
– <b>NQF rating</b>
– <b>Historical operation or reason for closure (nil data)</b>
– <b>Management type</b>
– <b>Funding models</b>
– <b>Total enrolments</b>
– <b>Equity enrolments</b>
– <b>Aboriginal and Torres Strait Islander enrolments</b>
– <b>Additional needs enrolments</b>
– <b>Enrolment level</b>
– <b>Full time equivalent staff</b>
– <b>Historical operation or reason for closure</b>

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In addition the above data fields, a number of value-adds have been included in the database including:

- Number of children in each year group
- Number of places per 1,000 children
- Additional tabs indicating whether or not councils were currently offering services according to desktop research and what they indicated in the Census survey for the purposes of crosschecking.

## Appendix 3 – Project Engagement Website

In April-May 2023, IPPG:CLG set up dedicated research engagement website at [www.earlychildhoodlocalgov.uts.edu.au](http://www.earlychildhoodlocalgov.uts.edu.au) to maximise stakeholder knowledge and engagement in the project, as well as provide direct access to feedback options, including different survey instruments and registration for interviews and focus groups.

Below is a screenshot of the project website homepage.

**Home**   **About the Research**   **Role of Local Councils**   **For General Managers**  
**For Local Council Staff**   **For Other Stakeholders**   **List of Local Councils**

### The Role of Local Councils as Providers of Early Childhood Services

#### Welcome to the Local Government Early Childhood Services Project site

This website has been created by the University of Technology (UTS) on behalf of the NSW Department of Education (the Department) to assist Councils and other stakeholders in providing feedback on the role Local Councils play in the delivery of early childhood services for their communities.

Your feedback is part of UTS research and will help the Department to map and identify issues impacting Councils' role in early childhood service delivery.

More information about the role of Local Councils can be found [here](#).

More information about the UTS consultation and research project can be found [here](#).

**Your feedback is important** so please look at the pages below to find the best option for you.

#### Timeline

- Website under Development**
- Engagement Options Open**  
Engagement options open Wednesday 14th June
- Survey Closes**  
Survey closes Friday 14th July
- Consultation Period Ends**  
The consultation period will end Monday 31st July

[See less](#)

#### For General Managers of Local Councils

Click here to learn more about the early childhood services Census Survey, and to complete a Feedback Survey and register for a Focus Group.

#### For Local Council Staff

Click here to complete a Feedback Survey and/or register for a Focus Group.

#### For Other Stakeholders

Click here to complete a Feedback Survey.

**NSW GOVERNMENT**

Further information  
If you have any queries about the UTS research please email: [ecd.research@uts.edu.au](mailto:ecd.research@uts.edu.au)

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## Appendix 4 – Council Case Studies

As outlined in Section 1, IPPG:CLG set out to conduct in-depth research on eight Tier 1 councils, using a combination of desktop findings, census survey results, plus interviews and focus groups with key personnel within each Council.

Only four councils fully engaged in this research activity, and approved for detailed analysis of their ECS offerings to be written up in the form of case studies.

Each of the following case studies have a standard format:

- Profile of the LGA including a map, demographic profile, key social, economic, environmental and cultural factors impacting the local area, plus relevant LGA classifications such as ABS, SEIFA, OLG LGA type, and the LHD
- List of ECS available (as to June 2023)
- Current strengths of Councils approach for ECS
- Barriers and challenges to Councils approach to ECS
- Key Issues and opportunities arising.

The case study content includes the combined results of:

- desktop research
- census survey results
- qualitative interview and focus group feedback, including the quotations highlighted in *blue italics*
- supplementary information and content provided by Council staff.

Where figures are not listed, they were not provided by Council in the census or subsequently.

All the case studies following have been reviewed by staff at each respective Council to ensure it is accurate and suitable for inclusion in this report.

## - CAMPBELLTOWN CITY COUNCIL -

*“Our services have a significant community feel and family focus. I think the size of our service helps contribute to that. All of our services are 44 places or less, the smallest being 40... direct feedback from families is that sometimes what families have been attracted to is that community, family centric feel”*

*“I think local government plays a really important role within early childhood. I think that all local government should have early childhood services, because I believe that centres are quite high standard, and I also feel that sometimes within the private sector they don’t cater for children with additional needs.”*  
(Council representative summing up as aspect of local ECS services)

### Council Classification:

**Australian Bureau of Statistics (ABS):** 11500  
**Socio-Economic Index for Areas (SEIFA):** 3  
**Office of Local Government (OLG):** Metropolitan Fringe  
**Local Health District (LHD):** South Western Sydney

### Demographic Profile:

- The City of Campbelltown LGA is home to 176,519 people, making it one of the 10 largest LGAs in NSW.<sup>62</sup> The median age of residents is 35, younger than the NSW average of 39 years. By 2041, the population is expected to increase to 229,301 people.<sup>63</sup>
- The median weekly household income is \$1,700, similar to NSW average of \$1,829.
- Other LGA statistics (compared to the NSW average) include:
  - 7.4% of the population is aged 0-4 years old (5.8%).
  - 20.1% of the population is tertiary educated. (23.8%).
  - 50% of all families are coupled families with children (44.7%).
  - English is the most spoken language, with 57% of residents only using English at home (67%).
  - Other commonly spoken languages include Bengali, Arabic, Nepali, Hindi, and Samoan, totalling 14.8% of the population.



Campbelltown LGA in Metropolitan Sydney, NSW

*Wikimedia Commons*

<sup>62</sup> City of Campbelltown, “Campbelltown Community and Economic Profile”, <https://www.campbelltown.nsw.gov.au/About-Campbelltown/Campbelltown-Community-Profile>.

<sup>63</sup> NSW Government, “Projections Explorer”, <https://www.planningportal.nsw.gov.au/populations>.

### Local Trends (Social, Economic, Environmental and Cultural):

- Campbelltown has a SEIFA decile of 3, which is considered disadvantaged.<sup>64</sup> It is comparable to other LGAs in NSW such as Canterbury-Bankstown, Muswellbrook, and Parkes Shire.
  - Campbelltown had a Gross Regional Product of \$8.75 billion in 2021. This is expected to further increase with the unveiling of the Campbelltown City Centre Master Plan in 2020, aiming to create new jobs and opportunities.<sup>65</sup>
  - The manufacturing industry is the largest employer and value-added industry in Campbelltown. However, what is accounting for growth in Campbelltown is the healthcare and social assistance industry sectors providing more local jobs, with the co-location of Western Sydney University, Campbelltown Public Hospital and Campbelltown Private Hospital.<sup>66</sup>
  - Campbelltown is one of three Strategic Centres outside the Sydney and Parramatta CBDs<sup>67</sup>, and with the major expected increases in population, there will be heightened demand for ECS services.
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<sup>64</sup> Australian Bureau of Statistics, "Socio-Economic Indexes for Areas (SEIFA) Australia", April 27, 2021, <https://www.abs.gov.au/statistics/people/people-and-communities/socio-economic-indexes-areas-seifa-australia/2021>.

<sup>65</sup> City of Campbelltown, "Reimagining Campbelltown City Centre Master Plan", <https://www.campbelltown.nsw.gov.au/Business/Reimagining-Campbelltown/Reimagining-Campbelltown-Master-Plan-And-FAQs>.

<sup>66</sup> City of Campbelltown, "Work in Campbelltown City", <https://www.campbelltown.nsw.gov.au/About-Campbelltown/Campbelltown-Community-Profile/Work-in-Campbelltown-City>.

<sup>67</sup> City of Campbelltown, "Reimagining Campbelltown City Centre Master Plan", <https://www.campbelltown.nsw.gov.au/About-Campbelltown/Campbelltown-Community-Profile/Live-in-Campbelltown-City>.

<b>Council ECS</b>	<b>Description of Service</b>
<b>Amarina Early Learning Centre</b>	Long Day Care
<b>Amber Cottage Early Learning Centre</b>	Long Day Care
<b>Campbelltown Family Day Care</b>	Family Day Care
<b>Eagles Nest Early Learning Centre</b>	Long Day Care
<b>Kabbarli Early Learning Centre</b>	Long Day Care
<b>Minto Early Learning Centre</b>	Long Day Care
<b>Namut Early Learning Centre</b>	Long Day Care
<b>Waratah Cottage Early Learning Centre</b>	Long Day Care
<b>Wombat Willows Early Learning Centre</b>	Long Day Care
<b>Campbelltown City Outside School Hours Care</b>	Out of School Hours Care and Vacation Care
<b>Raby Outside School Hours Care</b>	Out of School Hours Care

<b>STRENGTHS</b>	<ul style="list-style-type: none"> <li>• <b>Equitable and inclusive:</b> Campbelltown City Council (Council) have a strong focus on including children with additional needs into their early childhood services (ECS), as these children are often discontinued or not accepted by private providers.</li> <li>• <b>Community and family centric feel:</b> Council's ECS are small (all between 40-44 places). This attracts families and contributes to a communal, family feel.</li> <li>• <b>Partnerships:</b> Council has strong relationships with community services such as Uniting and the Benevolence society. These organisations link up vulnerable families or parents of children with additional needs/disabilities with Councils services.</li> <li>• <b>Diverse services:</b> Council has eight long daycare services, two before and after school care services which also offer vacation care, family day care which extends to five LGAs, one child and family centre and one mobile and book club that operates twice a week. Children are able to continue from birth to 12 years old.</li> <li>• <b>Staff quality:</b> Staff are educated and competent which means they can identify different needs among children and link up these children to specialists.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Cultural diversity:</b> Council's ECS are good at embracing culture within the community, particularly the high Indian and Bangladeshi population in Campbelltown. Services host family events and have diverse menus and food options.</li> <li>• <b>Staff services:</b> Council's ECS have good professional development programs, good HR, links with unions, and provide a lot of support to staff with regards to employment, as well as flexible work arrangements and counselling programs for staff.</li> <li>• <b>High standards and compliance:</b> As Council has strict policies and procedures, they are always on top of the relevant laws and regulations. Eight out of 11 of the ECS in Campbelltown are rated at 'exceeding' under the ACECQA rating.</li> <li>• <b>Not-for-profit:</b> Council makes sure that the money they make goes back into their services, predominantly building/asset based and upgrades to buildings. This also helps to keep the fees down.</li> </ul>
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<b>BARRIERS /CHALLENGES</b>	<ul style="list-style-type: none"> <li>• <b>Staff shortages:</b> Council finds it difficult to hire higher level staff such as early childhood teachers, as these teachers often want to work in the primary school system and there is limited incentive to bring them into ECS. For example, shifts at the centre are 7am-6pm and it closes for just two weeks over Christmas.</li> <li>• <b>Ongoing impacts of COVID-19:</b> The COVID-19 pandemic exacerbated staffing shortages. Council had to “lower their standards” when taking on new staff, meaning poorer outcomes for the children and centres. Overall, there is a lack of qualified people with appropriate skills.</li> <li>• <b>Influx of children with additional needs:</b> in recent years, staff have found there has been an increase of children with additional needs. This has been a challenge in regard to having enough well-trained staff as well as not receiving appropriate funding (children with behavioural needs that do not receive a formal diagnosis do not attract funding).</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Staff rules:</b> Staff members who come back from maternity leave are not supposed to have their own child enrolled at their service. If they do, they are monitored quite closely. This can make positions unattractive to potential employees.</li> <li>• <b>Poor infrastructure:</b> Early childhood services in Campbelltown are mostly not considered in city/town planning. Long day care centres within Campbelltown are in buildings that are 35-40 years old and the facilities are outdated. Council does not get funding to update these. Sometimes parents move their children into the “flashier” centres.</li> <li>• <b>Siloing of suburbs:</b> in some of the more vulnerable suburbs of Campbelltown, families do not want to leave the suburb they live in due to cost, not being able to stay within their cultural community or not wanting to enter a suburb that is predominantly social housing.</li> </ul>
<b>KEY ISSUES AND OPPORTUNITIES ARISING</b>	<ul style="list-style-type: none"> <li>• <b>Long waitlists:</b> Campbelltown’s childcare centre is only licensed for 40 children. Finding available spots for children is becoming more of an issue.</li> <li>• <b>Pricing:</b> Campbelltown’s childcare centre is benchmarked against other centres in the area, but pricing can also be dependent on how many hours a staff member works and what the government gives them for the CCS.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Changing political climate:</b> Council run ECS face the ongoing threat of the changing political climate within local government, meaning that services are never 100% guaranteed.</li> <li>• <b>Increase of children with additional needs:</b> the rise of children with additional needs is expected to impact educator workforce and retention. Some educators are going into early retirement due to not being able to care for children with additional needs or behavioural issues.</li> </ul>

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*“I think sometimes we get a bit left behind, so a lot of our long daycare centres have been operational for 25, 35 years, so obviously our buildings are old, our facilities are old, so sometimes that makes it harder to compete with the newer centres, with the ‘flashy’ bathrooms and outdoor indoor environments and things like that”*

*(Council representative summing up as aspect of local ECS services)*

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## - MUSWELLBROOK SHIRE COUNCIL -

*“What I’ve found in my experience is a lot of [effective service provision] relies on relationships and networks, and that’s what works really well. If you’ve got the network and the trust with the service, that’s what’s essential to move a project forward”*

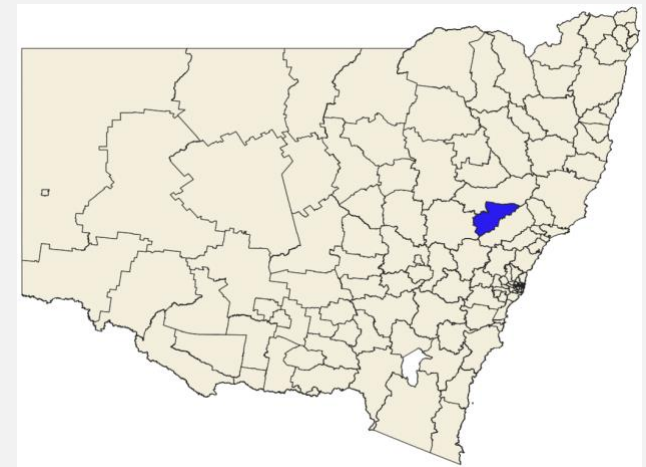
*(Local Council representative summing up an aspect of local ECS services)*

### Council Classification:

**Australian Bureau of Statistics (ABS):** 15650  
**Socio-Economic Index for Areas (SEIFA):** 3  
**Office of Local Government (OLG):** Large Rural  
**Local Health District (LHD):** Hunter New England

### Demographic Profile:

- The Muswellbrook LGA is home to 16,357 people. By 2041, the population is expected to increase to 17,387 people.<sup>68</sup>
- The median weekly income for households is \$1,628, compared to the NSW average of \$1,829.
- More than 11% of the population identifies as Indigenous, compared to the NSW average of 3.4%.
- Other LGA statistics (compared to the NSW average) include:
  - 6.3% of the population is 0-4 years old (5.8%).
  - 14% of the population is tertiary educated (23.8%).
  - English is the most spoken language, with 88% of residents only using English at home (67%).
  - 85% of the population was born in Australia (65%).
  - 7.7% of its population is currently attending preschool (6.8%).



Muswellbrook LGA, NSW

*Wikimedia Commons*

<sup>68</sup> NSW Government, “Projections Explorer”, <https://www.planningportal.nsw.gov.au/populations>.



**Local Trends (Social, Economic, Environmental and Cultural):**

- Muswellbrook covers over 3,400 square kilometres of land, of which 43% is national parks. This includes the World Heritage Wollemi National Park.<sup>69</sup>
- The mining industry is valued at \$6.7 billion, and accounts for 65% of total economic output.<sup>70</sup>
- The top industry of employment is coal mining, accounting for 20% of the total workforce.
- The Muswellbrook Shire Council is expecting modest population growth, largely associated with more affordable housing, a diversifying economy and expanding educational opportunities.<sup>71</sup>
- One-fifth of all families are single-parent families, compared to NSW's average of 15%.

Name of Service	Description of Service
N/A	No Services

<sup>69</sup> Muswellbrook Shire Council, "About Muswellbrook Shire", <https://www.muswellbrook.nsw.gov.au/about-muswellbrook/#:-:text=We%20are%20a%20young%20community%20centre%20for%20the%20Upper%20Hunter>.

<sup>70</sup> Muswellbrook Shire Council, "Economy, Jobs and Business Insights", <https://app.remplan.com.au/muswellbrook/economy/summary?state=iYoeivn65Foy40mskyKGA0CRhmhnL6>.

<sup>71</sup> Muswellbrook Shire Council, "About Muswellbrook Shire", <https://www.muswellbrook.nsw.gov.au/about-muswellbrook/#:-:text=We%20are%20a%20young%20community%20centre%20for%20the%20Upper%20Hunter>.

<b>STRENGTHS</b>	<ul style="list-style-type: none"> <li>• <b>Supporting role:</b> Muswellbrook Shire Council (Council) do not auspice any early childhood services, Council provides resources and support to early childcare services as well as rent subsidy to two not for profit early childcare centres. For example, Council recently assisted a local not-for-profit childcare centre to secure funds extend their current facility to increase preschool places, application of non-commercial rent to their Lease Agreements and support and assistance to meet compliance standards, policy development and general governance support.</li> <li>• <b>Relationship and trust building:</b> Council focuses on building strong relationships and networks with providers and community members. Muswellbrook has an 11% Aboriginal and Torres Strait Islander population building and maintaining trust is essential in effective service delivery.</li> <li>• <b>Cultural focus:</b> Given the high Aboriginal and Torres Strait Islander population, Council fosters relationships and opportunities to engage with the Aboriginal and Torres Strait Islander communities e.g. National Reconciliation Week Aboriginal Flag Raising Ceremonies, NAIDOC Week activities. Council provides resources to ensure that their centres are culturally safe and inclusive <a href="#">Working with Indigenous Australians - Home</a></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Quality of service:</b> (a generalised comment) Early Child Care personnel are key in the delivery of quality early childcare services. Locally our not-for-profit early child care services is not as new and modern as other commercial centres however the centre is well sought out due to the quality of service provision and personnel.</li> <li>• <b>Inclusivity:</b> The diversity and complexity of children presenting to early child care services is increasing, the early child care services that is located close to the concentration of social housing in Muswellbrook report that they have a high proportion of children accessing the centre who have additional needs.</li> <li>• <b>Strategy:</b> Council includes relevant actions in their Strategic Planning documents i.e. 2023/24 Strategy 2.3 retain and expand quality and affordable child care services, Councils 12-month Operational Plan has specific actions to support and resource not for profit early child care services in Muswellbrook and Denman.</li> </ul>
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<b>BARRIERS /CHALLENGES</b>	<ul style="list-style-type: none"> <li>• <b>Financial burdens:</b> Some providers have previously relied on Council for financial support and assistance, however with the growing demands on Councils budgets often we are unable to support the services.</li> <li>• <b>Staffing restraints:</b> Providers struggle with attracting qualified and experienced staff, some other industry impacts are leave requirements such as maternity leave, recent advertising for staff has been for short term contracts. General comment there is high staff turnover in some centres as people move in and out of the industry. Some staff are also not trained well enough in working with children with disabilities or additional needs. There is seldom incentive payments for staff, staff are motivated by the delivery of services.</li> <li>• <b>Political climate/council make up:</b> Whether children and family services are considered in town planning is dependent on who the Councillors are and what their priorities are. For example, Council currently does not have a town planner, so town planning falls to the Director of Environment and Planning. Council are currently developing a new section of town where a lot of the social housing is. They will be doing a park redevelopment targeted at teens. In that, there is provision for a community centre. The idea for this was only brought up because of the councillors that were sitting at the table and the operational staff.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Sociocultural barriers:</b> We have a high proportion of social housing in the Muswellbrook Community and families experiencing social and financial stress, sometimes centres are daunting places to enter even to enrolling their child. This process can be intimidating for parents within the vulnerable community and/or who have a low education level.</li> <li>• <b>Transport disadvantage:</b> Families in the area may experience transport disadvantage. The local preschool previously had an ‘around the town’ transport to pick up the kids (ages 3+) but the funding stopped and so the service ceased, meaning some children couldn’t get to preschool. The majority of parents who access early child care services who reside in social housing need to walk to facilities this creates another barrier of access.</li> </ul>
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<b>KEY ISSUES AND OPPORTUNITIES ARISING</b>	<ul style="list-style-type: none"> <li>• <b>Restarting the early years’ development network:</b> Prior to the COVID-19 pandemic, Council was running an early years development network with all the childcare providers in the community. These providers established a network, coming together to information share and relationship build. Service providers got a lot out of this but due to loss of staff and resources during the pandemic, the network fell off.</li> <li>• <b>Restarting the school readiness program:</b> Prior to the COVID-19 pandemic, the school readiness program helped children and families prepare themselves and their children for schooling (e.g. how to get their lunchbox ready). Not-for-profits played the most active and beneficial role in this. There is an opportunity for Council to support and drive this program.</li> <li>• <b>Partnerships with State Government:</b> Given that state government ‘set the goals’ and local government deliver, it may be difficult to form a partnership. However, building networks and knowledge sharing may be useful. Supporting Council on regional issues and gaining a better understanding on what’s happening locally would also be beneficial.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Training from State Government:</b> There is an opportunity for the state government to train and upskill service providers, as well as better educating them on their compliance and requirements under the childcare acts.</li> <li>• <b>Loss of strategic thinking:</b> Not-for-profit providers are run by a board of community members, often parents, who may only be on the board for a few years. This means that there is a disruption to strategic thinking and often a lack of organisational direction as a result.</li> <li>• <b>Employment in Muswellbrook:</b> Employment in the area is expected to boom (particularly in the mining sector). Council and providers should be prepared for an influx of families and children and will need to comply with teacher to student ratios and ensure their model can afford that. Capital buildings will also need to be renovated as they likely won’t be compliant in the next five years (doors are not wide enough, there are no wheelchair ramps).</li> </ul>
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*“In our community, I think it is really important to ensure there is a mix of profit and not for profit service providers... it’s a bit of a philosophy of provision of care, I think it’s important that not for profit providers are an option in the industry where there is competition for clients in a profit driven world”.*

*(Local Council representative summing up as aspect of local ECS services)*

## - NORTHERN BEACHES COUNCIL -

*“We can’t deliver for vulnerable children. We can’t deliver the volume we need. We can’t deliver the quality we need. If we’re having staff burn out and (they) leave the sector, I think if there was a remuneration that reflected the responsibility, you’d have people come back to the sector who have left and it would make it more attractive to go into, moving forward. We can’t do anything without staff. Our educators are the most pivotal point in delivering quality service. So, we have to incentivize people to work in the sector.”*

*“One thing that would be amazing is if we could co-locate services. There’s capacity to co-locate preschool within long day care. State Government fund preschool very well, parents pay as little as \$10 or \$15 a day. A lot of our children may do 2 days at preschool and then 3 days at long day care (because of the shift in parents’ WFH arrangements). But it means children are having to go between two different environments: friends, teachers, physical settings – this is hard for a lot of children. We need a specific place/ room that you can fund preschool places but within the same building as long day care so it’s better for children.”*

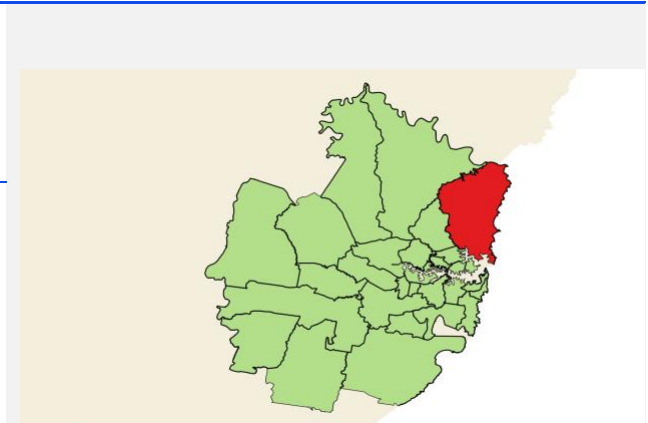
*(Local Council representatives summing up as aspect of local ECS services)*

### Council Classification:

**Australian Bureau of Statistics (ABS):** 15990  
**Socio-Economic Index for Areas (SEIFA):** 10  
**Office of Local Government (OLG):** Metropolitan  
**Local Health District (LHD):** Northern Sydney

### Demographic Profile:

- The Northern Beaches LGA is home to 263,554 people, and by 2041, the population is expected to further increase to 289,529 people.<sup>72</sup>
- The median weekly household income is \$2,592, compared to the NSW average of \$1,829.
- Other LGA statistics (compared to the NSW average) include:
  - 5.4% of the population is aged 0-4 (5.8%).
  - 23.6% of its population is tertiary educated (23.8%).
  - English is the most spoken language, with 81% of residents only using English at home (67%).
  - 50% of all families are coupled families with children (44%).



Northern Beaches LGA  
in Metropolitan Sydney, NSW  
*Wikimedia Commons*

<sup>72</sup> NSW Government, “Projections Explorer”, <https://www.planningportal.nsw.gov.au/populations>.

#### Local Trends (Social, Economic, Environmental and Cultural):

- The Northern Beaches can be considered advantaged, with a SEIFA decile of 10. It is comparable to other LGAs in NSW such as Hunters Hill, Lane Cove, and North Sydney.<sup>73</sup>
  - The Northern Beaches economy is well developed, with their Gross Regional Product at an estimated \$19.69 billion. Additionally, there are 110,582 local jobs and 33,164 local businesses.<sup>74</sup>
  - The Northern Beaches Environment and Climate Change Strategy 2040 highlights the unique natural environment as a key part of the identity of the Northern Beaches.<sup>75</sup> There are substantial areas of water frontage, coastal foreshores, beaches, islands, national parks, bushland, and reserves.<sup>76</sup>
  - Compared to NSW, the Northern Beaches has a higher proportion of residents aged 40-59, and less residents aged 0-9.
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<sup>73</sup> Australian Bureau of Statistics, “Socio-Economic Indexes for Areas (SEIFA) Australia”, April 27, 2021, <https://www.abs.gov.au/statistics/people/people-and-communities/socio-economic-indexes-areas-seifa-australia/2021>.

<sup>74</sup> Economy ID (Informed Decisions), “Northern Beaches Council Economic Profile”, <https://economy.id.com.au/northern-beaches>.

<sup>75</sup> Northern Beaches Council, “Environment and Climate Change Strategy and Plans”, <https://www.northernbeaches.nsw.gov.au/council/publications/policies/environment-and-climate-change-strategy>.

<sup>76</sup> ID (Informed Decisions), “Northern Beaches Council Area: About the profile areas”, <https://profile.id.com.au/northern-beaches/about#:~:text=The%20Council%20area%20encompasses%20a,national%20parks%2C%20bushland%20and%20reserves..>

Council ECS	Description of Service	Student Numbers	Total FTE Staff
<b>Belrose Community &amp; Children’s Centre</b>	Long Day Care	127 total (5 additional needs enrolments)	22
<b>Brookvale Children’s Centre</b>	Long Day Care	69 total (1 ATSI enrolment, 3 additional needs enrolments)	17
<b>Dee Why Children’s Centre</b>	Long Day Care	115 total (3 ATSI enrolments, 9 additional needs enrolments)	25
<b>Harbour View Children’s Centre</b>	Long Day Care	87 total (2 ATSI enrolments, 2 additional needs enrolments)	12
<b>Manly Community Pre-School</b>	Community Preschool	119 total (2 ATSI enrolments, 2 additional needs enrolments)	14
<b>Narrabeen Children’s Centre</b>	Long Day Care	102 total (5 ATSI enrolments, 4 additional needs enrolments)	17
<b>North Harbour Children’s Centre</b>	Preschool and Vacation Care	82 total (5 additional needs enrolments)	11
<b>The Roundhouse Children’s Centre</b>	Long Day Care	136 total (1 ATSI enrolment, 4 additional needs enrolments)	22
<b>Northern Beaches Council Family Day Care</b>	Family Day Care	296 total (5 ATSI enrolments, 6 additional needs enrolments)	49
<b>Cromer Vacation Care</b>	Vacation Care	186 total (1 ATSI enrolment, 14 additional needs enrolments)	23
<b>Brookvale Occasional Care</b>	Occasional Care	42 total (1 ATSI enrolment, 3 additional needs enrolments)	12
<b>Manly Vale Vacation Care</b>	Vacation Care	190 total (2 ATSI enrolments, 10 additional needs enrolments)	20

<b>STRENGTHS</b>	<ul style="list-style-type: none"> <li>• <b>Relationship with services:</b> Northern Beaches Council (Council) has a very good relationship with local women’s refugees and take on a high number of children referred from them.</li> <li>• <b>Equity:</b> Council takes an equitable approach to childcare. They take on a disproportionate number of children with additional needs into council services so “nobody is left behind.” (This can also be a challenge).</li> <li>• <b>Diverse range of services:</b> Council, and local government more broadly, provide a high number and range of services. All council types including regional, metro and rural have a different configuration and can adapt to different models.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Health focus:</b> Council works closely with the health provider Dalwood – they are very good at supporting vulnerable families or families of children with additional needs.</li> <li>• <b>High provider of quality:</b> Since the national framework was introduced, most local government ECS have exceeded the standards, including Northern Beaches services.</li> </ul>
<b>BARRIERS /CHALLENGES</b>	<ul style="list-style-type: none"> <li>• <b>Disproportionate number of children with additional needs:</b> Council has 66 children with additional needs and have to “supplement” (fees from parents) the additional costs (around \$386,000 per year). Other providers won’t enrol children with additional needs because the funding is only \$23 an hour which doesn’t cover the cost of a staff members base pay, let alone casual loading.</li> <li>• <b>Restrictive model:</b> Preschool and long day care at Council currently cannot be provided on the same premises. This means children who switch between the two experience different teachers, peers and environments, which can hinder their development (particularly children with additional needs). With the rise in more flexible working from home arrangements, however, parents want the flexibility to be able to switch between both.</li> <li>• <b>Long waitlists:</b> Councils’ services are sitting at 98% full. The subsidy rules that came into effect actually <i>increased</i> demand (because now it is more affordable).</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Staffing costs:</b> 85% of Councils expenses are staffing costs.</li> <li>• <b>Staff burnout:</b> There are a lack of educators in the sector and those already in the roles are becoming very burnt out.</li> <li>• <b>Complex paperwork/processes:</b> Staff have to undertake complex paperwork to undertake/support children with additional needs who go to long day care. Parents of children with additional needs also have to provide extensive documentation and paperwork.</li> <li>• <b>Physical restrictions:</b> The Northern Beaches are part of metro Sydney. The infrastructure is old and was not built with space and child safeguarding principles in mind. In addition, finding the land and money to build new, more purpose-built services, is difficult.</li> </ul>



KEY ISSUES AND OPPORTUNITIES ARISING	<ul style="list-style-type: none"> <li>• <b>Agile model:</b> There is an opportunity to allow preschool and long day care to be provided in the one premises. This will be cost-saving and easier for parents and staff, and more beneficial to children’s development (having consistency in teachers, peers and environment). This would require State Government to fund preschool places within long day-care premises (in addition to stand alone preschool).</li> <li>• <b>Partnerships:</b> There is definite potential for partnerships between Councils and State Government. State Government should be speaking with the Councils of the LGAs they are looking to fund preschools in, to see if Councils can support quality and outcomes. However, partnerships may be difficult as the State Government are also the regulators.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Cost of living:</b> High costs of living in the Northern Beaches has meant that educators aren’t incentivised to move into the area.</li> <li>• <b>Public transport:</b> There is limited public transport options on the Northern Beaches which also creates barriers for educators to travel for work.</li> <li>• <b>Threat of political will:</b> Local elections mean changing mayors and potential for changing priorities.</li> <li>• <b>Financial pressures:</b> Families are moving out of the area and dropping days because of the cost of living. Parents expectations are also high: “Parents have an expectation that they shouldn’t have to drive from the day-care to the preschool, their mindset is ‘service me where I need it’”.</li> </ul>
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*“If you can’t make [early childhood] services cost neutral, I think the political threat is always there, because you’re competing with potholes, meals on wheels, library services etc., - early learning isn’t as “sexy” as some of those other things”.*

*“More Kudos from State Government to Local Government, applauding the role of Local Government in delivering early learning and the value of that - especially for more vulnerable community members - would be really good”*

*(Council representatives summing up an aspect of local ECS services)*

## - BYRON SHIRE COUNCIL -

*“I think one of the key strengths of local government in early childhood is that there is that community focus and that not-for-profit focus. So, at the end of the day, I think councils are a trusted organisation. Governments are a trusted organisation. And in theory there is that perception that councils are there for the community as opposed to a for profit, service, who are just there to kind of make money.”*

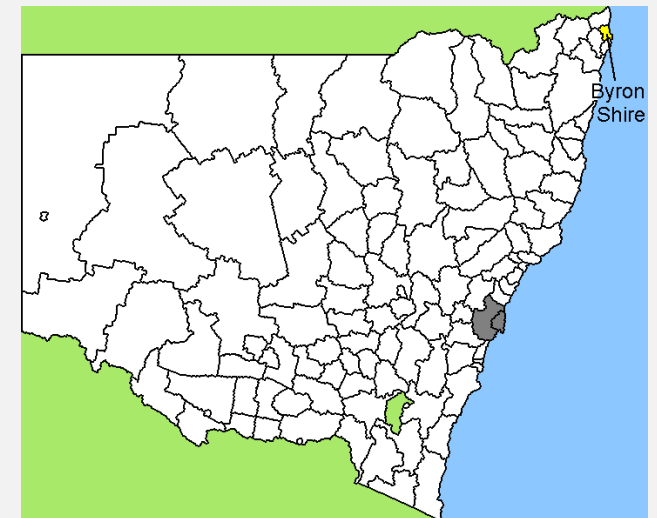
*(Local Council representative summing up as aspect of local ECS services)*

### Council Classification:

**Australian Bureau of Statistics (ABS):** 11350  
**Socio-Economic Index for Areas (SEIFA):** 8  
**Office of Local Government (OLG):** Regional Town/City  
**Local Health District (LHD):** Northern NSW

### Demographic Profile:

- The Byron LGA is home to 36,116 people. Since 2001, the population has grown by 23%, and by 2041 the population is expected to further increase to 44,583 people.<sup>77</sup>
- The median weekly income for households is \$1,602, compared to the NSW average of \$1,829.
- Other LGA statistics (compared to the NSW average) include:
  - 4.8% of the population is aged 0-4 years old (5.8%).
  - 42% of all families are couple families without children (37%).
  - 18% of its population is tertiary educated (23.8%). English is the most spoken language, with 80% of residents only using English at home (67%)
  - English is the most spoken language, with 80% of residents only using English at home (67%)



Byron LGA, NSW  
Wikimedia Commons

<sup>77</sup> NSW Government, "Projections Explorer", <https://www.planningportal.nsw.gov.au/populations>.

**Local Trends (Social, Economic, Environmental and Cultural):**

- Byron Shire LGA has a SEIFA decile of 8, which is considered advantaged, and is comparable to other LGAs in NSW such as Burwood, Georges River, and Newcastle.<sup>78</sup>
- Byron Shire is a well-known tourist location, attracting over 1 million visitors annually. The main source of revenue is tourism, generating \$380 million in 2011.<sup>79</sup>
- Given its status as an LGA primarily known for tourism, the top industries people are employed in are cafes and restaurants, accommodation, hospitals, social assistance services, and other health services.<sup>80</sup>
- Since the COVID-19 pandemic began in 2020, areas such as Byron Bay in the LGA have seen house prices rise to 44% a year, which can be accounted for by the mass exodus of people living in major cities to regional areas. Although prices have since slowed down to 19%, the population is expected to further increase.<sup>81</sup>

Council ECS	Description of Service
Sandhills Early Childhood Centre	Long Day Care
Byron Bay Out of School Hours Care	Out of School Hours Care, Vacation Care
Brunswick Heads Out of School Hours Care	Out of School Hours Care, Vacation Care
Mullumbimby Out of School Hours Care	Out of School Hours Care, Vacation Care
Mullumbimby Outside School Hours Care	Out of School Hours Care, Vacation Care

<sup>78</sup> Australian Bureau of Statistics, “Socio-Economic Indexes for Areas (SEIFA) Australia”, April 27, 2021, <https://www.abs.gov.au/statistics/people/people-and-communities/socio-economic-indexes-areas-seifa-australia/2021>.

<sup>79</sup> Byron Shire Council, “Our region”, <https://www.byron.nsw.gov.au/Council/About-Byron-Shire-Council/Our-region>.

<sup>80</sup> Australian Bureau of Statistics, “Byron 2021 Census All persons QuickStats”, <https://www.abs.gov.au/census/find-census-data/quickstats/2021/LGA11350>.

<sup>81</sup> Tawar Razaghi, “After peaking at 44 per cent growth, is Byron Bay’s property boom over?”, The Sydney Morning Herald, August 9, 2022.

<b>STENGTHS</b>	<ul style="list-style-type: none"> <li>• <b>Community focus:</b> Byron Shire Council (Council) offers a range of ECS that have a community and family focus. Council is a trusted organisation and there is a perception that they are there for the community as opposed to a for profit service. For example, during the Northern Rivers flood recovery, Council reached out to not-for-profits to see if children needed emergency placement and care while families were cleaning up their houses.</li> <li>• <b>Ability to engage with other parts of Council:</b> Council run ECS services have the backing of other sections of council, which allows for collaboration, efficient use of resources and cross-promotion. Councils newsletters go out to all of the community and they can promote their ECS at customer service centres.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Relationships and partnerships:</b> Council has a good relationship with TAFE in which they can onboard trainee educators and facilitate workplace apprenticeships. They also have good relationships with hospital and community health organisations, including the NDIS and occupational therapists.</li> </ul>
<b>BARRIERS /CHALLENGES</b>	<ul style="list-style-type: none"> <li>• <b>Staffing:</b> Councils in the Northern Rivers struggle with staff recruitment and retention. Part of this is due to the housing crisis being seen in the area, the relatively low wages that Council offer their ECS staff, and the limited interest in full time equivalent positions. Council is also still feeling the ongoing impacts of the many staff who resigned after the vaccine mandate during the COVID-19 pandemic. Staff require formal qualifications which makes it difficult to ‘sub in’ other Council staff when understaffed. In general, there is a lack of educators in the early childhood space in Byron Shire.</li> <li>• <b>Risk and governance regulations:</b> As early childhood services are not the core business of councils, there is often question from Council as to whether they should be offering these services given the high risk and regulations that are involved.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Waitlists:</b> most ECS in Byron Shire are at capacity as many of these services can only take under 100 children. While this contributes to a more homely environment and family friendly feel, it is also a barrier for families who want their children enrolled in Council run ECS.</li> <li>• <b>Infrastructure:</b> most Council run ECS are in older buildings that were not built fit for purpose. Most of these buildings require maintenance updates such as paint and guttering.</li> <li>• <b>Priority:</b> within Council, ECS struggle to be seen as a priority for funding and maintenance updates.</li> </ul>

<b>KEY ISSUES AND OPPORTUNITIES ARISING</b>	<ul style="list-style-type: none"> <li>• <b>Changing demographic:</b> Byron Shire is seeing a larger number of young people moving into the area and having babies. One suburb has recently opened two new early childhood centres, with three in total. This means a higher demand for staff, which the Shire is struggling to employ.</li> <li>• <b>Housing crisis:</b> Byron Shire has the highest number of rough sleepers in NSW. Being able to rent or buy a home in the Shire is a big issue for families and this will have ongoing impacts in the employment and ECS sector.</li> <li>• <b>Rebates and financial incentives:</b> with the rising costs of living, families will question whether paying the full rate for ECS will be worthwhile, or whether mothers should choose not to work and care for their children instead. There is an opportunity for more financial incentives, as well as an opportunity to promote the other benefits of care within ECS, including developmental, social, and healthcare benefits.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Staff training:</b> there is an opportunity for the state government to assist councils with training and onboarding staff. Council does not have the capacity to do detailed onboarding once staff are hired.</li> <li>• <b>Parent committees and boards:</b> there is an opportunity for more involvement from parents and carers within daycare and OOSH. This would allow for more innovative and strategic thinking.</li> <li>• <b>Potential for new models:</b> Council has previously investigated the potential of a cooperative model in which Council would not have to carry the risks involved in ECS delivery. There is an opportunity to explore different, potentially more innovative models.</li> </ul>
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*“Councils in the Northern Rivers really struggle with staff recruitment and retaining staff. We have a lot of challenges with housing here, so, you know, the wages that Council offer compared to other sections of Council and the wages that we offer compared to private organisations is really quite low, so we struggle to attract staff based on the housing issues here”*

*“We’re having discussions about, you know, is it Councils role to be in the direct service provision space? Is it better for us to say, lease our land to people in which this is their bread and butter? But it’s weighing up then the community sentiment and the community value that people put on local government being in this space.”*

*(Council representatives summing up as aspect of local ECS services)*





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