

Royal Commission into Early Childhood Education and Care

Submission from the South Australian Government
in relation to Out of School Hours Care

May 2023



Acknowledgement of Country

We acknowledge and respect Aboriginal peoples as the state's first peoples and nations and recognise them as traditional owners and occupants of land and waters in South Australia. Further, we acknowledge that the spiritual, social, cultural and economic practices of Aboriginal peoples come from their traditional lands and waters, that they maintain their cultural and heritage beliefs, languages and laws which are of ongoing importance, and that they have made and continue to make a unique and irreplaceable contribution to the state.

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Foreword

On 1 March 2023, the Royal Commission into Early Childhood Education and Care (ECEC) issued a call for submissions focussed on how out of school hours care (OSHC) can be accessible and affordable for all families with children of preschool and primary school ages. The Royal Commission also released the *Out of School Hours Care Issues Paper* to explore the current state of service provision in South Australia and across the rest of the country.

This submission is provided by the South Australian Government. It aims to build upon the Royal Commission's issues paper by providing further contextual information about OSHC provision in government settings and presenting views on the delivery of high-quality, accessible, and affordable OSHC for all preschool and primary school aged children.

OSHC is a critical service for working families. It provides care for children to support parents and caregivers to balance their children's education with their work and other commitments while also providing children with recreation and social and emotional learning opportunities.

OSHC continues to grow in importance for working families. Parents and caregivers are able to pursue careers and ensure the economic security of their family while knowing that their children are being cared for. The government recognises, however, that care outside of school and preschool hours and in vacation periods is not currently available to all families who wish to use it. The government also acknowledges concerns raised by some stakeholders about the consistency of quality across OSHC settings.

There are a range of factors that influence the supply of OSHC. These include the governance models under which OSHC operates in government schools and preschools, challenges with workforce and with viability, particularly in regional areas, and funding rules around the Australian Government's childcare subsidy. The government welcomes the Royal Commission's consideration of the ways in which high-quality OSHC can be made accessible to all families who choose to use it.

The government also welcomes consideration of the ways OSHC services can be supported to be of a consistently high quality. Some children spend up to 20 hours a week in before and after school or preschool care, and every OSHC must be a service that families can trust and a place where children feel a sense of belonging and look forward to attending.

OSHC must also be affordable and accessible. The government recognises that there are barriers to attending OSHC, including the cost to families. Consideration of making OSHC accessible must include how it can be within the financial means of families to use the service.

The government welcomes the support of the Australian Government through the childcare subsidy, which will soon be increased to provide more support to even more families. The government would, however, welcome the Australian Government's consideration of how it can support OSHC for preschool children. The current rules, which prevent CCS funding being paid for services that are not predominantly for school age children, are a barrier for OSHC in preschool settings.

The role of OSHC will continue to grow in importance with the introduction of 3-year-old preschool. To make the most of this transformation in South Australia's education system, it is essential that working families are not required to choose between their work and their children's attendance at preschool. The government anticipates that the availability of OSHC at government preschools will have a significant influence on families' choice of the preschool setting that works best for them.

In government settings, OSHC is overseen by governing councils – that is, parents and carers who have chosen to volunteer their time to benefit their school community. Governing councils employ staff and business managers oversee the finance. In both government and non-government settings, OSHC is overseen by highly skilled and experienced school principals and is delivered by qualified educators with a passion for supporting the education and development of our children. While the government is committed to expanding our OSHC system, it is also important to acknowledge the work of those already delivering OSHC to South Australian families.

As with the expansion of preschool, it will also require dedicated action to build our workforce and will require careful planning to avoid expanding the system too quickly and risking a drop in quality. Consideration of any roll-out will need to take these factors into account; and, like 3-year-old preschool, the roll-out of expanded OSHC must be prioritised by need. This could focus on areas where there is both capacity and low supply, coupled with evidence around demand and the availability of a suitable workforce.

The government recognises that expanding OSHC to all families of preschool and primary school aged children is not a simple task and will require sector-wide collaboration. It will require deep and genuine partnership with schools and preschools, governing councils, the government and non-government sectors, OSHC providers, and the OSHC and ECEC workforce.

The term 'OSHC' is used throughout this submission, consistent with the Royal Commission's terms of reference. However, it is important to note that care outside of school and preschool hours, including during vacations, need not be provided using the model traditionally described by the term 'OSHC'. Care outside of hours can take a variety of other forms, including centre-based day care, family day care, and other forms of before and after care (otherwise sometimes known as 'wraparound care') provided by approved services and educators.

The purpose of OSHC

After-school programs have existed in Australia since the 1900s, initially operating as recreational programs for children in community playgrounds. The programs then moved to community halls and school sites and continued to focus on recreation. They were often coordinated by arts or recreational organisations. In the 1970s and 1980s, with increasing participation of parents and carers in the workforce, the impetus for the service began to shift towards care as well as recreation.

OSHC in the contemporary school system is an important service that supports both children and families. Provision of OSHC is generally understood to be driven by the need to support parents or carers to attend work or other commitments. It is a service type that is eligible for the Child Care Subsidy (CCS).¹

However, like any supervised care service, OSHC is also an important opportunity for children to learn and develop under the guidance of educators. As OSHC has increased in prominence, there has also been increased interest in its pedagogical quality.

It is important to recognise that education and care do not exist as a dichotomy. While the emphasis of OSHC is on recreation and care, it is also an educational program led by qualified educators with skills in building relationships with children and understanding children's development and needs.

It is also important to recognise that the purpose of OSHC differs for different families. Educators report that some families would prefer that OSHC be an opportunity for children to relax and play after a day of school or preschool, while others prefer that children be supported with homework or other additional learning so that they can relax and play in the family environment later in the evening. For some families, it is sufficient to know that their children are kept safe and happy until their parents or carers finish work.

Some of the elements of OSHC provision that reportedly matter most to parents are:

- it is affordable and accessible
- there are enough places available for all families who want to use it
- the service is of a high quality
- children are safe and actively engaged
- there is continuity of staff to enable children and families to feel a sense of belonging and build ongoing relationships with staff.

Rather than framing OSHC as purely care, the government views OSHC as an education and care service that has an emphasis on socialisation, recreation, play, and relaxation. This acknowledges that children attending OSHC also receive a full day of education through preschool or primary school, that children have individualised interests and needs, and that play-based education is critical for children's learning and development.

¹ As are other potential forms of before and after care, including centre-based day care and family day care.

Governance and service delivery models in the government system

The government acknowledges that OSHC is provided in both government and non-government settings. This section, however, focusses primarily on the way in which OSHC is delivered in government schools and preschools. Government settings make up the majority of provision in South Australia.

Similar to other jurisdictions, OSHC on government school sites in South Australia is not provided directly by the Department for Education. Although it is not a service provider, the Department for Education plays a role in providing support to schools' governing councils to establish and deliver OSHC.

Existing governance and service delivery models

In South Australian Government schools, school governing councils can either choose to be the approved provider of the OSHC service or engage a third-party provider to be the approved provider.

The provider of the OSHC service has legal liability and accountability for the service and is the employer of OSHC staff. The same legal, regulatory, and policy settings apply to OSHC services regardless of whether they are run by the governing council or a third-party provider.

As reflected in Quality Area 7 of the National Quality Standard (NQS), effective governance of an OSHC service is essential for establishing and maintaining quality environments for children's play and leisure.

Governing council model

Governing councils are made up of parent and carer volunteers. The government acknowledges the work of these parents and carers, whose willingness to give to their preschool or school community is a vital component of our preschool and school system.

As volunteer bodies, the composition, experience, and skill set of governing councils can vary, and some members may not be well-versed in managing a complex and highly regulated service offering such as an OSHC. Each governing council must apply to be an approved provider and is legally responsible for compliance with the Education and Care National Law and Regulations. Individual members of the approved provider (governing council) must apply, and be identified, as persons with management and control. In addition to this legal responsibility, governing councils must also ensure the OSHC service is compliant with departmental policy and other regulations, including those relevant to the employment of staff such as Fair Work.

Governing councils may have regular turnover in their membership, limiting retention of corporate knowledge and the stability of service provision. Governing councils that deliver an OSHC service therefore need good governance supports where they choose to operate an OSHC directly.

Third-party provider model

Under the third-party provider model, governing councils choose to contract an OSHC service to a third party provider from a panel of suppliers. By outsourcing service provision, the governing council's control over the OSHC is more limited than it is with a direct service provision responsibility.

Service agreements are set between the third-party provider, the governing council, and the minister; however, day-to-day contract management and issue resolution sits with the school principal, which can create additional workload pressures.

Schools engage third-party providers to respond to perceived community demand. It has been noted that, at times, the expected demand outlined in a tender process is higher than actual demand. This can have an impact on the viability of services. In addition to this, some third-party providers are unable to justify operating in rural and remote areas due to lack of financial viability.

As with the governing council model, the third-party model requires strong governance supports to assist principals and governing councils in their contract management responsibility.

OSHC in preschools

OSHC is not generally provided directly at government preschool sites; however, preschool children may attend an OSHC service offered from a government primary school, or they may access out of preschool hours care at co-located childcare services.

The extent to which OSHC is available to preschool children is dependent on available places, service policy, and the proximity of a service in relation to the preschool a child is attending. It is understood that primary school children are generally prioritised over preschool children. This may be due to CCS eligibility rules that state an OSHC service is only eligible for CCS if it cares predominantly for school children, or the fact that preschool children require a higher staff to child ratio, which impacts on staffing costs.

Analysis of CCS data shows that in the September quarter 2021, 580 children aged less than 4 years 9 months old accessed an OSHC service in South Australia. This compares to 46,690 children aged 4 years 9 months or older accessing OSHC in the same period. The 580 children accessed OSHC at one of 154 services across all regions of the state, out of a total of 381 services operating on government and non-government sites at this time.

Despite there being 84 preschools located at a school with an OSHC service and a further 35 preschools located with 500 meters of a school with an OSHC service, anecdotally there are barriers to preschool children access these services (see - Current accessibility for preschool aged children).

As was noted by the Royal Commission in its issues paper, there has been a decline in government preschool enrolments over the past 5 years, with a corresponding increase in non-government services. It is considered that this may be driven in part by the absence of OSHC at government preschools, which makes it more difficult for families to access.

Role of the Department for Education in OSHC

The Department for Education has a small internal OSHC team who provide valuable corporate support. They respond to phone and email enquiries from school principals, governing council members, OSHC directors and educators from both government and non-government sites, as well as the public. This team is responsible for:

- supporting services responding to incidents reported through the Incident Response Management System (IRMS) reports and broader analysis of IRMS to identify systems gaps and trends
- administering short term Intervac inclusion funding for OSHC children with additional needs
- supporting schools to establish new OSHC services or consider alternative models for families to access OSHC
- supporting schools and OSHC services to manage issues relating to service viability, inclusion, leadership/governance issues and providing guidance on compliance, policy and operational matters.
- supporting schools to undertake a department procurement process to engage a third party provider to operate an OSHC service on site

- oversight and contract management of the panel of approved third party providers, and associated reporting requirements
- providing support to schools to manage third party provider contracts
- providing intensive site support to services found to be non-compliant, experiencing transportation issues or experiencing financial viability issues
- leading and supporting strategic policy and reform in collaboration with stakeholders (such as changes to OSHC qualifications)
- development of tools and resources to support OSHC service delivery.

Government school principals have responsibilities in relation to OSHC provision in both the governing council and third-party provider models. Where a governing council is the approved provider, an instrument of authorisation is signed which outlines the extent of the principal's delegated responsibilities to manage the OSHC service. The principal is considered a person with management and control and may hold the role of nominated supervisor, which has a range of responsibilities under the National Law and National Regulations, including ensuring the educational programs are based on children's developmental needs and interests and that children are adequately supervised and safe from harm or hazard.

Responsibilities outlined in the Department for Education's instrument of authorisation also include:

- the management of the service, including management of funding agreements and the development and review of policies
- line management of the OSHC director, including performance management and professional development
- overall management of OSHC employees, including employment checks, e.g., Working with Children Checks and RRHAN-EC training
- recruitment and dismissal of OSHC employees
- establishing effective communication processes with the OSHC director and service
- implementation of sound financial management systems, including regular reporting
- records management.

Where governing councils choose to use a third-party provider, the principal is responsible for actively managing the contract and ensuring a number of contractual obligations are met. Principals' responsibilities in this model include:

- establishing an OSHC advisory committee
- incident management and reporting on IRMS
- ensuring compliance of the premises under the national law
- maintaining appropriate evidence and records of applicable training and checks of OSHC providers and their staff
- assessing the performance of the approved provider against the key performance indicators within the contract and regular reporting to the school governing council
- ensuring effective relationships and communication between the approved provider and school community.

Government school principals have significant workloads. Several system improvements are underway to better support government school principals and governing councils to fulfil their role as

approved providers, to support principals fulfill their OSHC third-party provider contract management responsibilities, and to improve the overall functioning of the OSHC system.

School finance and support officers (business managers) provide operational and financial support to the school principal and governing council.

Future governance and service delivery models

The government considers that there are risks associated with expanding the OSHC service delivery models that are currently in operation in government schools. It is likely that current issues associated with governance, and additional issues relating to quality, access, and staffing, would be exacerbated.

To achieve the government's policy intent to increase OSHC quality, access, and affordability, consideration should be given to whether the existing governance and service delivery approaches are the most appropriate or require re-examination. Consideration also needs to be given to the resourcing and supports for governing councils, school principals, and service providers.

The core elements of any recommended approach, as outlined in the following sections, must be balanced to ensure maximum benefit to children and families. Delivery approaches should also ensure critical aspects of improved governance and leadership are in place, such as expanded corporate support, across system compliance and risk monitoring, reporting and management, continuous improvement, demand and supply forecasting and responsiveness, and clear and well-understood roles and accountabilities.

Finally, the delivery approach should ensure parents and communities continue to have input into the way services are designed and delivered to meet their needs.

Workforce

Existing workforce structure and qualifications

OSHC staff in government primary schools

OSHC staff working at government schools are employed by the approved provider of OSHC, which, as discussed earlier, can either be the school governing council or a third-party provider. This means that OSHC staff are not employees of the Department for Education. However, there are some departmental employees, for example School Services Officers (SSO), that are employed to work within schools and are also employed separately by an approved provider to work within an OSHC service.

Each OSHC service has a director who is responsible for the overall management and administration of the OSHC service and for ensuring the quality of care being offered meets the values, principles, policies, and broad organisational objectives of the school, council, community, and government.

Other OSHC educators are responsible for providing supervision and delivering a program to children enrolled in the service in line with the relevant curriculum framework.

Because the provision of OSHC on government sites is decentralised, the Department for Education does not have a detailed picture of the staffing of OSHC in government schools; however, it is estimated there are approximately 1500 employees working in OSHC services in government schools.

Information about the current workforce in other potential OSHC service offerings, such as centre-based day care, are not available to government. The government understands that this information could be made available to the Royal Commission through other sources.

Staff ratios and qualification requirements

The National Quality Standards provide educator to staff ratios. The educator to child ratio for children over preschool age is 1 educator to 15 children. In a school-aged care setting where preschool children attend, the ratio for preschool-age children is 1 educator to 11 children.

There is no nationally agreed minimum standard for the qualification requirements for educators working with school-aged children in OSHC. All states and territories other than New South Wales and Tasmania have specific qualification requirements embedded in their individual regulations.

In South Australia, OSHC staff working with school-aged children can be employed as either qualified or unqualified educators depending on the requirements of the position, with at least 50% of contact staff being qualified. The first of every 2 educators required to meet the educator to child ratio for children over preschool age, must hold an approved qualification from a list published by the Australian Children's Education and Care Quality Authority (ACECQA).

The second educator required to meet the educator-to-child ratios for school-aged children is not required to hold a formal qualification. However, all educators must have undertaken Responding to Risks of Harm, Abuse and Neglect – Education and Care (RRHAN-EC) training, hold a current Working with Children Check (WWCC) and understand their obligations under the *Children and Young People (Safety) Act 2017 (SA)*.

If children under the custody or guardianship of the Chief Executive of the Department for Child Protection are enrolled at the service, staff must also have Strategies for Managing Abuse Related Trauma (SMART) training. Educators may also be required to hold an approved first-aid qualification to support the service's first-aid qualification requirements, with at least one staff member holding an approved first aid qualification and approved asthma and anaphylaxis management training.

The National Quality Framework (NQF) has minimum educator requirements for working with children of preschool age and under in centre-based services. These requirements outline that at least 50% of educators must be diploma level qualified or higher. In some instances, an educator can be 'actively working towards' an approved diploma and be counted as the diploma level educator. All other educators must be certificate level III qualified.

Amendments to SA qualification arrangements

Through the National Children's Education and Care Workforce Strategy (2022-2031), ACECQA has been engaged to commence work to review staffing and qualification requirements under the NQF. The project will focus on early childhood teachers (required in ECEC services), OSHC educators, and aims to achieve greater national consistency, support quality, and reduce complexity. Any implementation of nationally consistent OSHC qualifications resulting from this work is unlikely to occur before mid-2024.

To aid current OSHC workforce shortages, the Department for Education is seeking to make a range of changes to South Australian OSHC qualification requirements. The department is progressing amendments to the list of approved diploma minimum OSHC qualifications to be inclusive of a range of related disciplines such as behavioural sciences, community services and allied health.

Currently, tertiary students who have successfully completed 2 years of a 4-year undergraduate teaching qualification are considered qualified to work in OSHC, if actively working towards completing the qualification. The department is in the process of amending this provision to include students who have completed 2 years of a 4-year undergraduate teaching qualification but are no longer actively working towards completing their qualification.

The department is also considering seeking legislative amendments to introduce two-tier qualification requirements, whereby:

- the first qualified position is filled by a diploma (equivalent or higher) candidate
- subsequent educators required to meet the qualified educator ratios may hold a certificate III or IV (in education, care or disability) or higher, replacing the need for a diploma (or higher) qualification

The amendments do not impact on the number of qualified staff required.

The amendments were proposed following a survey undertaken in 2022, with 125 approved OSHC providers and in consultation with other key OSHC stakeholders. The survey found that stakeholders were broadly supportive of the changes.

Quality

Current OSHC quality

The submission from the Department for Education on 3-year-old preschool provides extensive information about quality ratings of ECEC services for preschool aged children. Approved OSHC services for school aged children are also assessed against the NQS. This provides educators and families with a better understanding of what a quality service is.

The government acknowledges concerns raised by the Education Standards Board and others that the quality of OSHC is not consistent across South Australia. While South Australia compares favourably with national results in respect to the number of OSHC services achieving an exceeding rating, a higher proportion of South Australian services did not meet the national standards in one or more quality area when last assessed, and more South Australian services have been assessed as working towards the national quality standards in comparison to other jurisdictions. This is despite higher requirements for staff qualifications when compared to some other jurisdictions.

South Australian OSHC services have a higher proportion of staffing waivers in place compared to other jurisdictions.²

South Australian services provided in the non-government sector had an overall higher rating than services delivered on government school sites. Further analysis is required to understand the factors that are contributing to underperformance of OSHC service provision on government school sites.

Quality of OSHC in the future

Like broader ECEC services, there are several factors that are shown to influence quality in the provision of OSHC. Many are common requirements for both preschool and primary school ages, although there are some specific additional factors that must be present to ensure high-quality education and care for 3- and 4-year old children.

The expansion of OSHC for primary school aged children, and the development of new models for before and after care for preschool age children, must be done in a way that supports high quality delivery.

Quality is not only about compliance, health, and safety; as for preschool, it includes structural factors like staffing, leadership, and the physical environment, system factors like funding and governance, and process quality, which includes children's interactions and experiences at the service.

Evidence shows that the qualifications and experience of ECEC staff can have a significant impact on quality. Therefore, to produce a high-quality service, it is important that OSHC services have strong, qualified leadership, and skilled educators who are trained and supported to deliver a quality program from preschool to primary school age. In addition, educators need to be able to guide children's social and emotional competence.

Staff need to be competent in delivering a quality program and environment that is tailored to children's needs across a wide range of age groups.

In recognition of the impact that staff have on the quality of OSHC service provision, the Department for Education is considering options to raise the profile of OSHC as a profession and implement changes to make it easier for OSHC services to attract and retain a trained, skilled, and stable workforce. Key industry stakeholders will be consulted in this process.

² A service may apply for a staffing waiver when they are not able to meet the minimum qualified staff to child ratio. Waivers can play an important role in helping providers maintain their level of service to families when they are unable to successfully recruit an educator with an approved qualification.

Another critical aspect in providing a high-quality OSHC environment is the relationships between schools, OSHC, and families. The relationship between OSHC educators and school leadership is particularly important. OSHC should be viewed as an integral part of the school environment. Effective communication and connectivity between the school and OSHC service is important – for example, to communicate the specific needs of some children and to facilitate smooth transitions and foster a sense of belonging for children. There also needs to be consistent support for children with additional needs across the entirety of their education and care.

As noted above, OSHC is an important service for both parents and children. To ensure services are provided in a way that meet the needs of children and their families, parent and community engagement is also a critical aspect of quality service provision. Family needs and expectations of services must be considered in designing and delivering before and after school and preschool care.

The physical location of the OSHC on a school site is currently determined by the governing council and school principal. Facilities must meet the Education and Care Services National Regulations. The Department for Education does not currently have consistent visibility over locations where OSHC is provided on government school sites; however, it is understood that OSHC services are delivered from a range of locations in schools.

OSHC services can be provided within a dedicated room or space, which may occasionally be used by other programs. However, many OSHC services do not have access to a dedicated space, and instead use gymnasiums, halls, or classrooms. Services without a dedicated space are required to set up and pack up resources daily and, on occasion, are required to relocate within the school.

There are significant benefits associated with an OSHC service having consistent access to a dedicated space where materials can be stored. By eliminating the need to set up and pack down all resources on a daily basis, staff can plan high quality programs, and staff and children can feel a sense of ownership and belonging. Access to a consistent space also limits the number of transitions children need to make on a daily or weekly basis.

Due to the impact of physical environment on quality, the Department for Education will consider the requirements for OSHC spaces in updating its planning standards during 2023, which will be referred to in planning infrastructure upgrades and developments moving forward.

In addition to the above, risk, compliance and safety are critical aspects of providing a strong foundation for quality service delivery. It is critical that the government has clear visibility of OSHC provision, from a site by site to an across-system view. Under the current service delivery model, where the government is not a provider, limited information is available about supply and demand, staffing, quality, and affordability of services. Any expansion of OSHC should be coupled with enhanced visibility to allow a more proactive approach to compliance and risk mitigation and management, as well as to support system level planning and service delivery.

Additional considerations for quality OSHC for preschool aged children

In addition to the above, there are a range of considerations, both legislated and non-legislated, to support the delivery of safe and appropriate OSHC to preschool age children. These include:

- develop and deliver an age-appropriate, play based educational program that also accounts for the needs of younger children being cared for across a longer-than-typical preschool day, such as the need for rest and quiet time
- staffing ratios of 1:11, and qualified staff ratios in line with legislated requirements for preschool aged children
- staff and leadership who are appropriately qualified (in line with ACECQA requirements for preschool age children), understand the needs of younger children, and have expertise and experience in ECEC

- providing continuity of care in educators and settings for younger children who particularly benefit, compared with older children, from consistent relationships with caregivers and limited transitions throughout the day
- delivering the service in an age-appropriate the physical space, which not only meets relevant regulatory and policy requirements for preschool age children, which are distinct from those for school age children, but also facilitates safe and age-appropriate care and play (e.g., playground equipment is suitable and safe in light of younger children’s physical abilities)
- deciding if and how to enable integration safely and appropriately with children of differing age groups.

Accessibility

Current accessibility for school aged children

The most significant barrier to accessing OSHC is the absence of a service. Not all schools provide an OSHC service, and in regional and remote communities there is often no OSHC available.

In some locations, children are transported from sites without an OSHC to a site that has one. However, this use of privately owned buses is not always financially viable or practical, and the use of a school bus is dependent on there being spare seats available. As a result, there are reports of arrangements that depend on transportation being discontinued over time.

The lack of provision of OSHC, particularly in schools with enrolment numbers that would make service provision viable, is not fully understood, but is likely to be influenced by several factors.

Although establishing an OSHC is encouraged in departmental policy, there is no compulsion for school principal or governing council to provide an OSHC. The provision of OSHC may not be seen as core business and the workload of the school governing council and principal's associated workload may impact upon the decision about whether to provide OSHC services in government schools.

The lack of OSHC in regional areas is likely to be driven primarily by the inability to deliver a viable service due to limited demand in small communities. While larger services can achieve economies of scale in relation to fixed costs, such as administration, ICT, and leadership, small services must share this cost across fewer users, resulting in a cost of care that is prohibitive to most families.

Anecdotally, like other services in regional and remote areas, OSHC services also struggle to attract the staff necessary to operate.

The absence of an OSHC can have a flow-on impact for small schools. Because OSHC can be a factor in families' decisions about where to send their children, not having an OSHC can lead to a decline in enrolments and ultimately to the closure of schools in some communities.

Current accessibility for preschool aged children

Several barriers exist which prevent current state-wide provision of before and after care for preschool age children, with the main barrier being that it is not currently broadly available.

Priority of access policies held by many school OSHC services either exclude preschool aged children or cap the number of places for preschool aged children.

Services may be unable or unwilling to provide appropriate facilities and care for preschool aged children. Many OSHC facilities are not specifically designed for preschool age children (e.g., lack of fencing, not designed for adequate supervision of 3- and 4-year-olds, lack of appropriate fixed and non-fixed environments, proximity of OSHC service to toilets is too far, lack of nappy change facilities) and do not have the ability to separate children into appropriate age groupings.

Many preschools are not located near OSHC services, meaning that, to access an OSHC, young children would need to be transported from the preschool to the OSHC. There are significant costs and risks associated with transporting young children, which services may not be willing or able to take on.

There is anecdotal evidence that some OSHC service providers have policies which make including preschool aged children difficult, such as precluding preschool aged children from attending the service if an excursion is planned (which limits availability of vacation care) or precluding staff from assisting children with toileting.

Historically, the provision of before and after preschool care has not been seen as the core business of preschool education. This perception, coupled with difficulties in accessing CCS for before and

after care services in preschools, has resulted in before and after preschool care not being available in most government preschool settings.

Potential demand for OSHC services

The department does not have reliable data on the demand for OSHC places or the gap between demand and supply. Anecdotally, the department is aware of unmet demand for OSHC, particularly in school communities where there is no service provision. In the 2021-2022 financial year, the department received 28 enquiries regarding the establishment of an outside school hours care service. Twenty of these enquiries were from rural locations and small schools.

In its issues paper, the Royal Commission has sought measures of unmet demand for consideration. The best indicator of demand would be utilisation data held by the Commonwealth Government and waiting list data held by each individual OSHC service. Workforce participation data (e.g., Multi-Agency Data Integration Project (MADIP) and Australian Bureau of Statistics Census data) could also be used to better understand potential demand across the state and assist with building assumptions around working families.

Eligibility for OSHC places

Access to OSHC services is generally determined by the provider through service level policy, with providers able to set their own rules for deciding who receives a place. Anecdotally, many providers offer a first come first serve preference system, and families with existing bookings are rolled over before new families are offered a place.

To meet the Australian Government's aims of helping families who are most in need and supporting the safety and wellbeing of children at risk, providers are asked to (but are not legally obliged to) prioritise children who are at risk of serious abuse or neglect or who are a child of a sole parent who satisfies, or parents who both satisfy, the CCS activity test through paid employment.

Increasing accessibility in the future

To support workforce participation, it is critical that all families accessing public school and preschool have access to OSHC as and when they need it. As a general principle, the size and nature of OSHC services should be aligned with the size of the school or preschool community and patterns of uptake and demand.

The Department for Education has the potential to exercise policy and contracting levers to support expanded OSHC provision at public school sites under existing service delivery models. For example, the department could make amendments to policies relating to decision-making about whether to offer a service and the number of places available. Although a service at every site is not likely to be required or desirable, all sites could be required to either offer or facilitate access to before and after school and preschool care and vacation care, except in exceptional circumstances. However, as noted above, expanding current models is not recommended.

There are a range of alternative service delivery model options to ensure access to OSHC for all children attending primary schools and to deliver a new service offering at preschools. In developing these, careful consideration will need to be given to costs and viability of establishing new services (especially in small schools and communities), and risks, benefits, and costs of transporting children between services, especially younger children.

Specific considerations for accessibility for preschool aged children

There are already models in place that see preschool aged children transported between sites. In

non-metropolitan settings, this may be the only way those children can engage with care before and after preschool. However, there are significant costs and risks associated with transportation of preschool aged children between service settings and locations that should be considered.

Transportation of children between services for OSHC is complex. The decision to enable preschool children to be transported to another site by a government school bus is currently the responsibility of the school principal and can only be entered into if it does not impact on the designated route of the bus and spare seats are available, noting that the size of a bus for each route considers the number of school aged children travelling to and from home. Under current policy, the calculation does not consider preschool children who are being transported to an OSHC service, thus making the use of school buses as a transport solution for those cohorts from one year to the next uncertain.

Regulatory requirements require that if a site is arranging and providing transport as part of the education and care service, there must be a staff member on board and a responsible adult present at the point of embarking and disembarking to ensure safety.

Under state legislation, vehicles under 12 seats (including mini-buses) are required to be fitted with child-safe seats. If groups of preschool children were transported in cars or on small buses, there are costs associated with appropriate seating equipment for younger children.

In addition to this, evidence about high quality ECEC is clear that children benefit from consistency in staff and settings in receiving education and care. Models that involve movement of children between settings, even within a site – for example, children attending a school-based preschool using a school OSHC – should be assessed for their impact on quality. Delivering care within the preschool setting should be a high priority where it is possible to do so.

Affordability

Current OSHC service fees

OSHC service fees are set by service providers. Usually, services charge sessional fees, rather than an hourly rate. The fees represent the cost to families before the CCS is applied.

CCS is a Federal Government program to help families with the cost of childcare. Payments are paid directly to childcare providers, who pass the saving to eligible families in the form of fee reduction. CCS payments are means tested and are dependent on household income. There is a maximum hourly rate the government will subsidise. For children below school age, the hourly rate cap is \$12.74; the hourly rate cap for school-aged children is \$11.15.

The Australian Government Department of Education March quarterly report 2022 about the ECEC sector indicates that the average hourly cost of OSHC in metropolitan areas across Australia was \$7.23, compared to the regional average hourly cost of other childcare of \$7.81.

	NSW	VIC	QLD	SA	WA	TAS	NT	ACT	AUS
Centre-based Day Care	\$11.45	\$11.45	\$10.60	\$11.00	\$11.45	\$10.20	\$10.10	\$12.55	\$11.20
Family Day Care	\$11.40	\$11.10	\$11.10	\$10.95	\$11.05	\$11.75	\$10.45	\$11.95	\$11.20
Outside School Hours Care	\$7.65	\$8.60	\$7.10	\$6.70	\$9.80	\$8.55	\$7.70	\$10.45	\$7.90

Source: AG Department of Education administrative data.

Table 4 provides a sample of cost per hour fees of 116 OSHC services (approximately 25%) across South Australia in December 2022. Across the state, the average cost of before and after school hours care within the services samples was \$8.54 per hour. The hourly cost in metropolitan Adelaide was \$8.37 per hour in comparison to \$10.07 per hour in regional areas.

	Highest Metro Adelaide	Lowest Metro Adelaide	Highest Regional SA*	Lowest Regional SA*
Before school care – cost per hour	\$20.00	\$4.44	\$14.67	\$6.33
After school care – cost per hour	\$13.89	\$5.00	\$14.75	\$7.33
Full day – cost per hour	\$11.00	\$4.17	\$6.84	\$4.00

* The sample size for regional services is small. This figure may not be reflective of all regional sites. Of the 14 regional services sampled, 5 did not provide before school care.

Any monetary amount above the CCS hourly cap for school age children (commonly referred to as a gap fee) does not attract CCS and must be paid by families, regardless of their household income.

There is some anecdotal evidence that families on low incomes find the cost of OSHC to be

prohibitive; however, this is not able to be quantified. Further analysis is required to understand the relationship between fee charging practices and service quality.

Affordable OSHC in the future

Affordable fees for families accessing OSHC services is critical. Expansion of OSHC should include consideration of ways to ensure that cost is not a barrier to access. This needs to be balanced with fees that support OSHC service viability and quality of delivery.

Under current settings, the Department for Education has levers to influence the setting of affordable fees through policy and contracting. However, consideration would need to be given to the impact on business viability for third-party providers and a potential reduction in revenue for schools that can choose to reinvest from the OSHC provision into the school.

Equity

Current support and inclusion programs and funding

Inclusive Support Program

The primary source of funding to help children with disability to access an OSHC service is the Australian Government's Inclusion Support Program (ISP). This funding is available to all services approved by the Australian Government to be eligible for CCS, including long day care, OSHC, family day care, occasional care, and mobile care.

The administration of the ISP is contracted to a local agency in each jurisdiction. Each agency provides free inclusion support services to build the capacity to include children with diverse needs. Gowrie SA is the inclusion agency for South Australia.

The main cohorts of focus under the ISP guidelines include children who:

- have disability or a developmental delay
- present with challenging behaviours
- have serious medical or health conditions
- present with trauma-related behaviours.

Consideration is also given to Aboriginal children, children from culturally and linguistically diverse backgrounds, and children from refugee or humanitarian backgrounds who may also require support to ensure that they are able to participate fully in their service. Services may also apply for additional assistance to address barriers to inclusion that cannot be resolved by the support provided by an inclusion agency.

It is important to note that the funding criteria for the ISP is limited to children who are required to participate 'alongside their typically developing peers'. A service that caters for 100% children with additional needs, such as Adelaide North Special School, does not meet this criterion. In South Australia these services are NDIS approved.

Eligible services can access Inclusion Development Fund (IDF) support. The IDF Additional Educator funding is prioritised to support children with a diagnosed disability. The program may provide immediate/time limited support to children (regardless of a diagnosis), and ongoing Additional Educator support for children under six years of age in Centre-Based Day Care (excluding OSHC), without a diagnosed disability or awaiting a diagnosis.

Gowrie advises that in the July 2022 to December 2022 period, 223 OSHC care services applied for IDF funding. This represented 59% of all OSHC services operating in that period.

Intervac

Intervac funding is provided by the Department for Education to approved OSHC services. The Intervac program is designed to assist services with the employment of an additional educator to support and encourage the inclusion of children with additional needs into an OSHC setting. OSHC services that are eligible to access ISP funding may access the department's Intervac funding in the short term, while applying for ISP funding. When a child becomes eligible to access ISP funding, the service is no longer eligible for Intervac funding.

The funding provided through Intervac must be used to employ additional staff over and above the

staff required to meet minimum educator-to-child ratios. Intervac funding can be provided for up to a maximum of 10 hours a week during a school term for after school care and 40 hours per week during vacation care for each child approved for funding. The Intervac funding rate is currently \$15.61 per hour (GST exclusive). In cases where there are multiple children requiring support, services are encouraged to use the additional funding to maintain, where possible, an educator-to-child ratio of 1 educator to 3 children to maximise funding potential.

The funding available to the program is \$359,000 per annum and support is provided, on average, to 200 children each year. The length of time that a child is supported through Intervac funding is dependent on the time taken for an ISP application to be processed.

Equitable OSHC in the future

For OSHC delivery to be equitable, and for all families to have access, OSHC services need to support the inclusion of children and families with additional needs. This includes consideration of secondary students with a disability that need to attend OSHC in exceptional circumstances and children with high complex needs that need one on one support to attend OSHC.

There are challenges associated with the current support and inclusion funding arrangements for OSHC services that should be considered to ensure access and equity can be achieved.

To ensure that OSHC is accessible to all children, it is also important that services be responsive to Aboriginal families and families from culturally and linguistically diverse backgrounds and provide a culturally safe space.

This includes providing flexibility in booking practices as well as ensuring that the booking process is easily understood. It also requires being clear on eligibility requirements and ensuring that sufficient places are available.

Aboriginal families and children

No matter where OSHC is delivered, it must provide a service that is culturally safe, responsive and welcoming for Aboriginal families. To achieve this, OSHC educators must be trained to build their cultural responsiveness and cultural capabilities to ensure they engage with Aboriginal families, children, and the local Aboriginal community in a meaningful way. All educators must have sound knowledge and understanding of Aboriginal perspectives, and they must make intentional program decisions that promote Aboriginal ways of knowing and being.

Aboriginal children need to feel safe and experience a sense of belonging at OSHC. This can be achieved through the provision of Aboriginal resources, and the service being nuanced and tailored to the local community. Aboriginal children in care accessing OSHC may have experienced significant and complex traumas, therefore it is important that educators are trauma informed, understand healing-centred engagement, and build this into practice.

It is also understood that many families, if they are refused the first time they try to access a service, will not seek to re-engage with that service again, even at other locations.

Further genuine consultation with Aboriginal families, including through South Australia's First Nations Voice to Parliament, must be undertaken to hear the voices of Aboriginal people and identify gaps and issues with current service provision

Strategies to increase accessibility to OSHC in Aboriginal communities or any opportunities to establish new OSHC services should be co-designed in partnership and collaboration and through codesign with Aboriginal communities. Particular attention should be given to the intersectionality of the Closing Gap targets and outcomes, and potential opportunities for OSHC services to be run by Aboriginal Community Controlled Organisations.

Implementation considerations

As highlighted in the government submission on 3-year-old preschool, there are issues and risks associated with rapid expansion and growth of any sector. These are compounded when considering the expansion of OSHC, due to the challenges associated with the current governance and service delivery models, and the existing barriers to high quality, accessible services. The level of change required to achieve outcomes of quality, accessibility and to a lesser extent, affordability, is significant.

Like all other ECEC services, OSHC is impacted by national workforce shortages. OSHC services have additional difficulties attracting and retaining staff, as the value placed on OSHC as a career has historically tended to be low, and the levels of remuneration do not match what is available in other roles or other parts of the sector. This narrative needs to change, and there needs to be recognition of the high value of OSHC for children, families and the community.

Regardless of the model recommended by the Royal Commission, there will be costs associated with an expanded service offering across the state. These costs are expected to primarily relate to the design and implementation of new models of OSHC provision, including potential infrastructure implications.

The current and potential role of the Department for Education needs to be carefully considered in relation to both OSHC for school and preschool aged children to ensure good governance models are in place, quality of delivery is high, safety for children is assured, and supply meets demand to support working families.

Finally, the broad availability of before and after preschool care should not be underestimated as a critical success factor for the take up of 3-year-old preschool in South Australia.

Rollout considerations

OSHC is a critical service for working families, and a phased implementation should be targeted to where services are most needed.

Need could be defined as areas where there is high demand for OSHC places, low socioeconomic participation (to increase or incentivise workforce participation), or there is a lack of OSHC services in general.

Implementation could also reasonably be staged by commencing at sites with available infrastructure capacity and appropriate facilities, there is demand in the community not being met elsewhere, and at sites where there is a willingness and ability to expand.

Again, as with the introduction of 3-year-old preschool, increasing the accessibility of high-quality OSHC provision across South Australia is likely to require cooperation across the whole community, including existing third-party providers.