

Best Start
Best Life

Building Blocks:

The Victorian Government's Best Start, Best Life Kindergarten Infrastructure Strategy

Working together to give Victorian
children the best start in life

2023





Acknowledgement of Country

The department proudly acknowledges Victoria's Aboriginal communities and their rich culture and pays respect to their Elders past and present.

We acknowledge Aboriginal people as Australia's first peoples and as the Traditional Owners and custodians of the land and water on which we rely.

We recognise and value the ongoing contribution of Aboriginal people and communities to Victorian life and how this enriches us.

We embrace the spirit of reconciliation, working towards the equality of outcomes and ensuring an equal voice.

'Respecting Connections' (2023) by Nakia Cadd, a Gunditjmara, Yorta Yorta, Dja Dja Wurrung, Bunitj, Boon Wurrung, Taungurung woman who grew up in the Northern suburbs of Melbourne.

'When thinking about acknowledging Country, it's about respecting those many different connections; to the land, sky, waters, animals, people and stories.'

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Hon Lizzie Blandthorn MP
Minister for Children



Minister's message

The Victorian Government understands the importance of early childhood education. We're working to maximise opportunities for all children to learn through play.

That's why we're delivering the \$14 billion Best Start, Best Life reforms, which will transform early education in our state.

In 2018, we announced funded Three-Year-Old Kindergarten, a nation-leading reform. Thanks to a remarkable collaborative effort (including by local governments and service providers) to plan, deliver and improve early childhood infrastructure – this is now available state-wide. Funded hours for Three-Year-Old Kindergarten will continue growing to a full program of 15 hours per week for every child by 2029.

Victoria now offers children the opportunity to attend two years of kindergarten for free. This is a permanent, evidence-based change that will have significant benefits for many children throughout their schooling and beyond, and save families thousands of dollars.

The gradual transition to Pre-Prep – between 2025 and 2032 – will double the funded hours available for four-year-olds from 15 to 30, and we're building 50 government-owned and operated Early Learning and Childcare Centres (ELCCs) to help families access childcare, kindergarten and other services for families and children.

A key feature of this expanded strategy is the Victorian Government's increased role in kindergarten infrastructure. So far, we've committed to building 180 new kindergartens on or close to schools, and 50 state-run, affordable ELCCs in areas of need.

We're also providing additional support to our sector partners, including local governments, not-forprofit providers and non-government schools to deliver infrastructure for their communities. We have significantly increased grant rates, including doubling the funding for new builds and committed \$282 million in the 2023-24 budget to supporting kindergartens on non-government schools. We have also increased grants to our sector partners to upgrade or refurbish their existing facilities.

We look forward to working with you – our sector partners – on future iterations of this strategy as the reforms evolve, together finding the most effective ways to develop a system that gives Victorian children, families and communities a bright future.

A handwritten signature in blue ink that reads "L. Blandthorn".

Hon Lizzie Blandthorn MP
Minister for Children

A dynamic, long-term strategy for early childhood infrastructure

Overview

Building Blocks: The Victorian Government's Best Start, Best Life Kindergarten Infrastructure Strategy comprises a suite of new and expanded grants, programs, and policy initiatives. It is designed to support the substantial growth of the Victorian early childhood education and care sector needed to implement the Best Start, Best Life reforms. The reforms in turn, will support the best possible outcomes for children, families and communities.

This strategy builds on the first Building Blocks infrastructure strategy, developed in 2020, which was designed to support the roll-out of Three-Year-Old Kindergarten.

The previous strategy has been a success. The Victorian Government and sector partners have collaborated in many ways – including on service provision planning, design, and building works – to

support the delivery of sufficient infrastructure for Victorian children enrolling in a kindergarten program.

This strategy retains and expands the key elements underpinning the previous strategy, but with substantial new investment to drive the growth of the sector required to implement the Best Start, Best Life reforms.

Notably, the Victorian Government will be making more direct investment and, as a start, will build around 180 kindergartens on school sites where possible (the exact number will depend on size and configuration, according to community). The 50 government-owned and operated ELCCs will also help meet demand for Three-Year-Old Kindergarten and Pre-Prep, in addition to providing childcare services in the areas of greatest need. This investment will help to address demand and make our state fairer. Joint planning and co-investment with the sector will remain key to ensuring children are able to access services. It will also help ensure that infrastructure investment reflects the needs of each community and the diversity of Victoria's kindergarten sector is maintained.



Collaboration and engagement

For the past five years, the Victorian Government has been working in close partnership with the sector.

This collaboration has supported the successful roll-out of Three-Year-Old Kindergarten, and will continue as other Best Start, Best Life reform initiatives progress.

Over recent months, the Department of Education has undertaken a significant consultation and engagement process to seek feedback, advice, and ideas on the \$14 billion *Best Start, Best Life* reforms, which were announced in mid-2022.

Key components of the reforms are:

- **Free Kinder:** Free Kinder is now available for Victorian 3 and 4-year-old children at participating services in standalone (also called sessional) kindergartens and long day care settings – a saving of up to \$2,500 per child, every year.
- **Pre-Prep:** Over the next decade, Four-Year-Old Kindergarten will gradually transition to 'Pre-Prep' – increasing to a universal 30-hour a week program of play-based learning for 4-year-old children in Victoria by 2032.
- **Three-Year-Old Kindergarten:** The roll-out of Three-Year-Old Kindergarten continues, with programs increasing to 15 hours a week across the state by 2029, providing Victorian children with 2 years of a quality kindergarten program before school.
- **Early Learning and Childcare Centres (ELCCs):** We are establishing 50 Victorian government-owned and operated ELCCs. These centres will be built in areas with the greatest need and will make it easier for families to access childcare. The first centres will be open in 2025.

Key focus areas

This strategy responds to feedback from relevant groups, including local governments and service providers, about the anticipated infrastructure needs, opportunities and challenges stemming from these reforms.

The key focus areas where the Victorian Government is delivering more support are:

Infrastructure planning

We are working with our partners to ensure more up-to-date information on kindergarten demand is publicly available.

We are also offering more funding support to partners to undertake detailed planning and pre-construction work for projects that will deliver new or expanded infrastructure where and when it is needed.

Delivering infrastructure capacity

In direct acknowledgement of the scale of the reform, the critical importance of our partners and the rising costs of delivering infrastructure, we have significantly increased infrastructure grant rates. We expect these will fully fund construction costs in many instances.

Our modular facilities, which for standard builds are fully funded and delivered by the department, also remain available.

We are going to deliver more government-owned kinders, with a commitment to deliver 180 additional facilities for the first phase of the Pre-Prep reform. Wherever possible, these will be on school sites to support children's transition to school and make drop-off easier on families

We are working with more of our partners – local governments and large not-for-profit providers – to develop Building Blocks Partnerships (BBPs), in addition to expanding and updating the BBPs already agreed. BBPs allow us to work with the sector to deliver a pipeline of projects over multiple years to support local communities to have access to the high-quality facilities they need. BBPs also offer increased funding flexibility to support solutions for more complex projects.

Retaining, maintaining, and improving existing infrastructure capacity

We're working to make operating from a government-owned kinder attractive to sector partners.

To support partners who have existing infrastructure in need of an upgrade, we're continuing to offer infrastructure improvement grants and have increased the rates for these as well.



A dynamic, responsive approach

The specific programs for each focus area will be reviewed and adapted over the life of the reform to ensure there is sufficient infrastructure for Victorian children to benefit from the Best Start, Best Life reforms.

Wherever possible we will aim to enhance the overall sustainability of early childhood education services, providing choice for families and supporting the sector to respond to changes in their local communities.

Our approach will continue to adapt as new services come online and new data becomes available.

Strength in service diversity

To get the best outcomes for children, families, and communities, we know we need to offer a mix of service types.

More kindergartens on school sites, delivered by Victorian Government, will support transition to school and provide a great option for many families. However, we know we also need to support kindergartens on non-government schools. Local governments have deep understanding of the types of services their communities need, as do not-for-profit and for-profit providers, many of which have a long history of providing early learning.

We will also be consulting with Aboriginal communities to ensure the Best Start, Best Life reforms support inclusion and cultural safety.

Victorian families value all these types of services and that's why we've increased support for our sector partners. Updated Kindergarten Infrastructure Service Plans (KISPs) will support our partners to plan new facilities where they're needed and increased grants will facilitate delivery. Through BBPs, the government can provide more certainty and workshop more complex projects.

We know that working with our partners will be critical to delivering the reforms in ways that meets the needs of all Victorians.

Early Childhood Infrastructure Streams



Inclusion

Grants to upgrade buildings, improve facilities or purchase equipment to create a safe and inclusive environment for all children.

You can apply under the following categories

Buildings and playgrounds

Grants up to \$200,000 to make kindergarten activities safer, more inclusive and accessible.

Equipment

Grants up to \$10,000 for moveable inclusive education resources, such as mobility stools and sensory equipment.



Improvement

Grants for upgrades and minor expansions of kindergartens, or for IT equipment.

You can apply under the following categories

Early Learning Facility Upgrades

Grants up to \$750,000 for renovating learning environments.

Minor Infrastructure

Grants up to \$150,000 for minor refurbishment.

Information Technology

Grants up to \$2,000 for IT equipment or TVs for administration or learning programs.



Capacity Building

Grants to build or expand early learning centres to create more kindergarten places.

Funding is scaled in line with the number of approved places being created.

You can apply under the following categories

Expansion

Grants from \$1.5 million for building projects that will increase a kindergarten's number of approved places.

New Early Learning Facility

Grants from \$4 million for new kindergartens with programs for 3 and 4-year-olds.

Modular Kindergarten Buildings

Modern, high-quality relocatable buildings fully delivered by the VSBA.

Integrated Children's Centre

Grants from \$4.5 million for new community hubs offering kindergarten alongside a range of care, health and family support services.



Planning

Grants for pre-construction planning and upfront costs of kindergarten building projects.

Planning grants help fund the requirements for a Capacity Building grant application.



Kindergartens on School Sites

We are making sure that every new government primary school has a kindergarten on site or next door.

We are also building or expanding kindergartens at some existing schools. We do this when it is the best way to meet high local demand for kindergarten places.

Key focus areas

Infrastructure planning

What we heard

Our partners said that planning for a reform of this scale is complex and they need more support, including current information on when and where more kindergarten capacity is needed.

Sector partners told us that KISPs, which have been developed with all local governments, have been a useful planning tool.

These now need to be updated with Pre-Prep demand and other inputs.

We heard that the KISPs would be more useful if they could be updated more frequently.

Local governments said that local data and knowledge is critical to the KISPs. The perspectives of local providers would provide a more in-depth illustration of early childhood education and care needs of each LGA.

Our partners also told us they need additional support to do the planning work necessary to prepare for each infrastructure project.

What we're doing

We're updating our jointly agreed planning documents – Kindergarten Infrastructure and Services Plans (KISPs) to reflect Pre-Prep demand and local data.

In 2023, we've been working with local governments to update KISPs to reflect Pre-Prep demand and incorporate updated data, such as population estimates and new kindergarten supply.

We know that local data and intelligence improves KISPs and in addition to including local government data, we will include local providers in the KISP update process.

We will work with the sector to understand their feedback in more detail and then improve the way we share KISP estimates so they are accessible and user-friendly.

We are expanding and investing more in planning grants. They are now open year-round to allow partners to apply for planning support when they need it.

These give local governments and service providers much-needed capacity to complete planning and pre-construction work.

What's a KISP?

To support Three-Year-Old Kindergarten, all 79 local governments worked with the Victorian Government to develop **Kindergarten Infrastructure Services Plans (KISPs)**.

KISPs support planning for services and future capital works, with detailed information about:

- current capacity and demand for funded kindergarten
- capacity to be delivered by planned infrastructure projects and future demand for kindergarten
- forecast 'unmet demand' for kindergarten – that is, the kindergarten places needed that cannot be met by current or planned capacity

- information specific to each local government area and its early childhood education and care landscape.

They present a state-wide picture of kindergarten supply and demand over the life of the reforms.

KISPs are not funding documents and do not commit either the state or local governments to meeting the projected unmet demand. However, local governments and not-for-profit kindergarten providers applying for Building Blocks Capacity Building Grants need to refer to, and align their proposed project with, unmet demand identified in the KISP.

Key focus areas

Delivering infrastructure capacity

What we heard

We heard that our sector partners need additional funding to deliver the volume of kindergarten facilities our communities need.

Funding needs to reflect shifting financial conditions and other challenges and changes.

Our local government partners said that early childhood education and care is one of several competing priorities in delivering high-quality services to their communities.

They also said their budgets are more constrained since COVID-19, and some communities are still recovering from extreme weather events.

We heard from all our sector partners that rising construction costs are a challenge.

What we're doing

We have significantly increased the funding rates for Building Blocks grants to build or expand facilities to create more kindergarten places.

Supporting projects through grants has been critical to the success of Three-Year-Old Kindergarten and will remain key to implementing Pre-Prep.

In response to concerns around the cost of providing infrastructure, and in recognition of the critical contributions of our partners to the reforms, we have now increased funding rates significantly.

Grants to co-invest in new early learning facilities, for example, have increased by 166% - see Table 1 below.

These boosts will help our partners increase sector capacity so that children in their communities can access the full benefits of two years of early learning.

Grants will contribute substantially to new-builds, extensions, and major renovations, with construction costs fully funded for many projects.

We are continuing to offer modular kindergarten grants, which are delivered on behalf of grant applicants and fully funds the delivery of buildings and outdoor learning areas. A co contribution is only required for items above the standard scope.

Table 1: Capacity-building rates for grants and Building Blocks Partnerships projects

Build type	Previous scalable* grant rate	New scalable* grant rate	Percentage increase
Expansion (based on a 33-place expansion)	\$900,000	\$1,500,000	66%
New Early Learning Facilities (NELF) (based on 2 x 33 place rooms being delivered)	\$1,500,000	\$4,000,000	166%
Integrated Children’s Centre (ICC) (based on 2 x33 place rooms being delivered)	\$2,000,000	\$4,500,000	125%

* Grant contributions are scalable to places delivered. For example, while a two-room NELF would be eligible for up to \$4 million, a 3-room NELF would be eligible for up to \$6 million.



What we heard

We heard that in some LGAs, a large number of projects will be needed to ensure children have access to a full program of Three-Year-Old Kindergarten and Pre-Prep, and some of these will be complex and costly to deliver.

Local governments and service providers said they're seeking the most cost-effective way to make sure their infrastructure is fit-for-purpose and will cater to projected demand.

We heard that dealing with ageing infrastructure, or infrastructure that is no longer fit-for-purpose or has barriers to expansion is among the complex challenges.

What we're doing

We're expanding our existing Building Blocks Partnerships (BBPs), which give our partners certainty and flexibility for long-term infrastructure development. We're also keen to agree partnerships with more local governments and not-for-profit providers.

Under BBPs, local governments or not-for-profit providers work closely with the department on a strategic pipeline of projects to meet demand for kindergarten. They support our partners to plan long-term for their communities' needs, confident that substantial funding will be available to support them.

BBPs have already been agreed with 11 local governments, providing \$181 million to support 74 projects. We'll be working together to expand these to account for Pre-Prep, and we encourage other local governments to consider the benefits of a BBP.

We will continue to share plans for KOSS with our BBP and other sector partners – so they can factor these into their planning. We'll update them in the KISP estimates too.

The substantial increases to Building Blocks Capacity Building Grants have been offered to eligible existing and future BBP projects.

Due to their collaborative and long-term nature, BBPs allow greater flexibility for our partners than applying for grants. We work closely with partners to ascertain the optimal solution for complex projects, where for example, infrastructure is no longer fit-for-purpose.

Through BBPs, the department will also consider, on a case-by-case basis, exceptional funding allocations to ensure required projects are able to progress.

What we heard

We heard that the volume of infrastructure required is too great to be delivered only by sector partners.

With significant investment in new and expanded infrastructure, focus should be given to making learning spaces that are fit for purpose and adaptable for different needs over time.

What we're doing

As well as providing higher grant rates for partners investing in new and expanded facilities, the Victorian Government will deliver more government-owned kinders.

To enable families to have choice and flexibility, and in acknowledgement of the scale of the reforms, we are investing in different models and modes of infrastructure delivery.

We've committed to building 180 new government-owned kindergartens, on or near school sites where possible. Once these are planned, they'll be reflected in the KISP estimates.

To support this, we are already assessing the feasibility of school sites across the state to have a co-located kindergarten.

As we understand the potential for situating kindergartens on school sites, we are engaging with the sector.

We are also delivering 50 new government-owned and operated ELCCs, which will support the delivery of Three-Year-Old Kindergarten and Pre-Prep, as well as providing childcare, in areas of need.

The first four centres will open in 2025, with the remaining to be delivered progressively. All will be up and running in 2028.

We continue to offer a range of grants under the Building Blocks program that support expanding buildings and upgrading them to ensure they support quality learning and that all children can participate in kindergarten.

We will consult with the sector on further improvements to designing high quality learning spaces.



Kindergartens on School Sites (KOSS)

The KOSS program delivers sessional kindergarten facilities on Government school sites. These are leased and operated by local governments or not-for-profit providers.

Delivered for the start of 2023 in partnership with Darebin City Council, the Reservoir East Family Centre, on the Reservoir East Primary School site serves as a community hub providing three kindergarten rooms and consulting rooms.



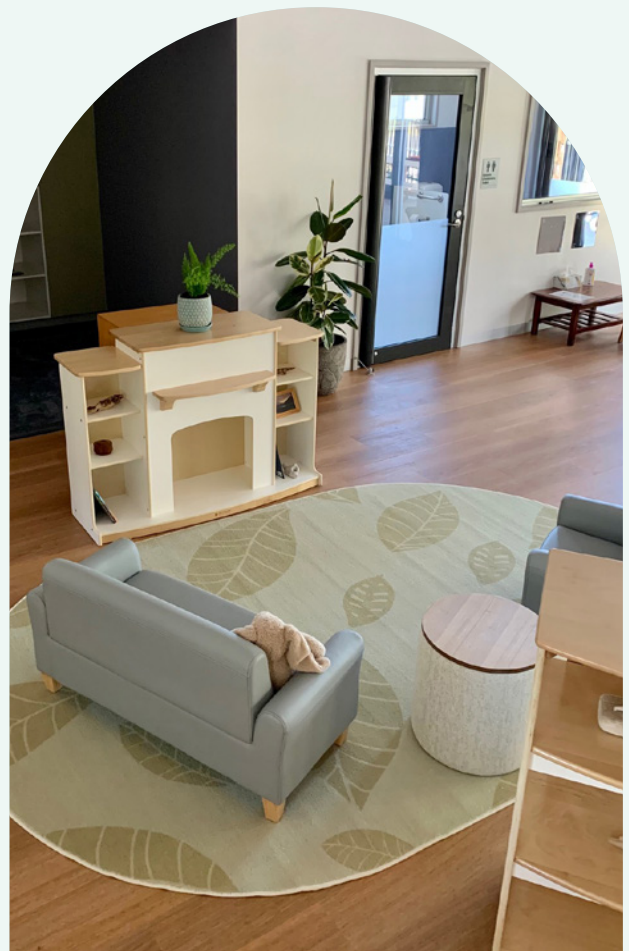


Building Blocks Grants: Modular Kindergartens

The Modular Kindergarten Program offers 1, 2 and 3-room templated buildings and outdoor learning areas. The Victorian Government delivers and funds the Modular Kindergarten projects on behalf of grant applicant. A co-contribution may be required for items above the standard scope, which is defined in the Building Block Guidelines.

Grants are open to all not-for-profit organisations and can be delivered on department or third-party land.

In 2023, a Modular Kindergarten grant was delivered at Foster Primary School, a collaborative project between the local service provider Prom Coast Centres for Children, Foster Primary School and the department. The 1-room, 33-place Modular is being used for Three and Four-Year-Old Kindergarten.





Building Blocks Grants

Building Blocks Capacity Building Grants can fund new builds – both Integrated Children’s Centres and traditional kindergartens, and expansions.

The Victorian Government supported Uniting AgeWell to refurbish an existing space to create The Herd Intergenerational Learning Centre in Mornington.

The centre houses a 66-place kindergarten alongside the aged care facility, allowing young children and older residents to come together for activities such as art, music, lunch or storytelling.

The children gain an extended family, and learn about ageing and accepting people of all abilities. The aged-care residents benefit from the physical activity of playing with the children, while enjoying the spirit that children bring to their home environment.



Key focus areas

Retaining, maintaining and improving existing infrastructure

What we heard

Our partners said they need additional support to maintain and upgrade facilities.

What we're doing

We have increased the rates of our Building Blocks Improvement Grants, which fund both minor works and more significant upgrades to our partners' facilities.

Building Blocks Improvement Grants have been increased for projects that will enhance the condition of existing facilities (rather than increase their capacity) (See table below).

Building Blocks Inclusion grants help provide safe and more inclusive environments for children of all needs and abilities.

Finally, we're working to make operating from a government-owned kinder attractive to sector partners.

Improvement Grants

Early Learning Facility Upgrades	up to \$750,000 (increased from \$500,000), to improve the quality of learning environments for kindergarten children
Minor Improvement	up to \$150,000 (increased from \$75,000) for minor works and refurbishments
Information Technology	up to \$2,000 to buy IT equipment or TVs for learning or administration purposes

Inclusion Grants

Buildings and playgrounds	up to \$200,000 to make buildings and playgrounds safer, more inclusive, and more accessible to children of all abilities
Equipment	up to \$10,000 for moveable inclusive education equipment.

Next steps

The \$14 billion reforms are transforming Victoria's early childhood education and care system and will require significant investment and change over the next decade.

We look forward to continued engagement and collaboration with our sector partners, to deliver the infrastructure supporting these once-in-a-generation reforms.

The immediate next steps include:

- Working with local governments to finalise KISP updates
- Assessing school sites across the state for potential to host a kindergarten and continuing to deliver the Kindertenters on School Sites program
- Expanding current Building Blocks Partnerships to address demand for Pre-Prep
- Continuing to support the sector through the Building Blocks grants program

For further detail on the Building Blocks Program and supports available:

[Early childhood grants | Victorian School Building Authority \(schoolbuildings.vic.gov.au\)](https://www.schoolbuildings.vic.gov.au)

For early childhood infrastructure enquiries:
vsba@education.vic.gov.au

For information on Kindergarten Infrastructure and Services Plans:

KISP.Records@education.vic.gov.au

For information on Building Blocks grants and guidelines:

building.blocks@education.vic.gov.au

To contact our regional offices:

North Eastern Victoria Region:
nevr@education.vic.gov.au

North Western Victoria Region:
nwvr@education.vic.gov.au

South Eastern Victoria Region:
sevr@education.vic.gov.au

South Western Victoria Region:
swvr@education.vic.gov.au

Best Start Best Life

Infrastructure strategy

