

**ORDINARY MEETING OF COUNCIL  
24 AUGUST 2009**

<b>5.</b>	<b>EILDON ROAD CHILDREN'S CENTRE REQUEST FOR ASSISTANCE</b>
<b>LOCATION/ADDRESS:</b>	
<b>EXECUTIVE DIRECTOR:</b>	<b>SAM HEWETT, ACTING DIRECTOR COMMUNITY ASSETS AND SERVICES</b>
<b>PREPARED BY:</b>	<b>JO SMALE, ACTING MANAGER COMMUNITY SERVICES</b>
<b>FILE NO.:</b>	<b>36/02/08-01</b>
<b>ATTACHMENTS:</b>	<b>NIL</b>

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**1. EXECUTIVE SUMMARY**

- 1.1 The Committee of Management of Eildon Road Children's Centre has made an urgent request for immediate operational and financial emergency aid to ensure the centre can continue operating in the short term.

**2. RECOMMENDATION**

That Council:

- 2.1 Provides assistance to the Eildon Road Children's Centre in the following way:
- 2.1.1 Defers payment of outstanding levies in the amount of approximately \$44,000
  - 2.1.2 Defers payment of levies for a further six months to the amount of a further \$44,000
  - 2.1.3 Provides administrative support for enrolments for the next six months.
  - 2.1.4 Provides additional governance and leadership support to the Centre's Committee of Management and Coordinator
  - 2.1.5 Purchases the fixed playground equipment for use by council at a cost of \$10,000
  - 2.1.6 Reviews the outcomes of the above actions in six months to determine the centre's financial and operational position
  - 2.1.7 Receives an update on the viability of Eildon Road Children's Centre in six months time
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- 2.2 Requests the Eildon Road Committee of Management work closely with Council to ensure all factors culminating in the current financial and operational position are identified and addressed in order to support the long term viability of the Centre.

### **3. BACKGROUND AND CONTEXT**

- 3.1 Eildon Road Children's Centre is a 40 place community managed children's centre operating from a council owned facility. The City of Port Phillip holds the service licence with the Department of Education and Early Childhood Development.
- 3.2 The centre has experienced significant staff turn over with 6 Coordinators over the past three years. The committee is currently recruiting a coordinator, four full time child care workers and a book keeper to fill vacant positions.
- 3.3 Eildon Road Children's Centre currently owes council approximately \$44,000 in maintenance and infrastructure levies.
- 3.4 Council has paid \$25,286.80 in Quality and Affordability Subsidies in the 2008/2009 financial year.
- 3.5 At a meeting on 24 July 2009 with the Acting Manager Community Services, Jo Smale, Acting Coordinator Family and Children's Services, Virginia Lloyd, Cr Thomann, the Eildon Road Committee of Management presented their financial and organisational position which indicates the centre has some financial problems.
- 3.6 Eildon Road Children's Centre reported that the centre's operating surplus has been fully expended over the last seven months.
- 3.7 From the meeting of 24 July 2009 Council has commenced supporting the service by assisting with the recruitment of Coordinator and staff and providing the committee with fee benchmarking information.
- 3.8 A new centre coordinator has been appointed and will commence at the end of August 2009.

### **4. CONSULTATION AND STAKEHOLDERS**

- 4.1 Council officers and Cr Thomann met with representatives of the Eildon Road Committee of Management on 24 July 2009.
- 4.2 Council officers have continued to correspond with these representatives since that time.

**5. DISCUSSION**

5.1 OPTIONS

5.1.1 Recommended Option

5.1.1.1 Provide assistance to the Eildon Road Children's Centre in the following way:

- Defer payment of outstanding levies to the amount of approximately \$44,000
- Defer payment of levies for a further six months to the amount of a further \$44,000
- Provide administrative support for enrolments for the next six months
- Provide additional governance and leadership support to the Centre's Committee of Management and Coordinator
- Purchase the fixed playground equipment for use by council at a cost of \$10,000
- Review the outcomes of the above actions in six months to determine the centre's financial and operational position
- Request the Centre's Committee of Management work closely with Council to ensure all factors culminating in the current financial and operational position are identified and addressed in order to support the long term viability of the Centre.

5.1.1.2 This option is in line with council's childcare policy commitment to support existing community managed centres and to increase access to childcare places through the provision of quality and affordability subsidies.

5.1.1.3 This option provides both financial and operational support to Eildon Road thereby assisting their capacity to continue to operate.

5.1.1.4 This option provides this support in an equitable way in that it does not provide funding in addition to what other community managed centres can access.

5.1.1.5 This option delays council's budgeted levy income for the 2008/09 and the 2009/10 financial periods.

5.1.1.6 This option requires funding that is unbudgeted in order to purchase the playground equipment.

5.1.1.7 This option provides immediate support to the centre which will assist them in the short term. It also offers support that will assist the centre to address their longer term viability.

5.2 ALIGNMENT TO COUNCIL PLAN

5.2.1 This report aligns with the key direction of - Strengthening our diverse and inclusive community.

- Provide for equitable access to a range of services
- Ensure the quality and accessibility of children's and family services

5.2.2 This is achieved by maintaining a community managed service and supports a mixed sector service provision for child care.

5.3 POLICY IMPLICATIONS PLAN

5.3.1 Council's childcare policy is committed to ensuring access to quality, affordable childcare

5.3.2 Council's childcare policy is committed to a mixed sector of council, community and private childcare.

5.4 FINANCE / RESOURCE IMPLICATIONS

5.4.1 The estimated cost of the recommended option is approximately \$105,000 comprising approximately \$7,000 additional administrative support for enrolments, \$10,000 for the purchase of playground equipment and a further \$88,000 in deferred levy income. There may be further in-kind and/or financial costs to Council incurred depending on the nature of the additional governance and leadership support provided.

5.5 LEGAL & RISK IMPLICATIONS

5.5.1 There is some risk that failing to support this centre will result in the loss of 40 places in the city. If that were to occur it would increase the unmet demand for childcare that already exists in the city. It may also impact on council's reputation as it runs contrary to council's policy position to increase childcare places in the city.

**6. IMPLEMENTATION STRATEGY**

6.1 TIMELINE

6.1.2 The recommended support could be provided immediately and will be reviewed in six months.

6.2 COMMUNICATION

- 6.2.1 The committee of management will be notified immediately of the outcome of council's decision.
- 6.2.2 Eildon Road Children's Centre is experiencing operational and financial hardship and is requesting financial and operational assistance.
- 6.2.3 Council is providing advice and support, both financial and operational, to Eildon Road to improve its situation.
- 6.2.4 Council is committed to community managed children's centres and will provide support where possible.
- 6.2.5 Council is committed to maintaining childcare places in Port Phillip.

**7. OFFICER DIRECT OR INDIRECT INTEREST**

- 7.1 No officers involved in the preparation of this report have any direct or indirect interest in the matter.