



ACT
Government
Education

CENTRE BASED SERVICES

PROCUREMENT FRAMEWORK

2022

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INTRODUCTION

Early Childhood Education and Care (ECEC) Centre Based Services (CBS) are essential partners in delivering early childhood education and care with ACT public schools.

In the context of the National Quality Standard, the Education Directorate (the Directorate) is expanding its procurement model to establish a *Prequalified Panel of CBS Providers*. This includes all CBS that provide ECEC in Directorate facilities – long day care for children aged between 0 and 5 years old as well as out of school hours care (OSHC) providing care for 4 to 12-year olds in public schools.

The *Prequalified Panel of CBS Providers* also includes non-profit CBS that provide ECEC across the ACT in other facilities, that can partner with the Directorate to deliver the quality early childhood education for three year-olds initiative (the 3 year-old initiative).

Day care (including those that provide a preschool program) and OSHC together make up the collective of CBS. In this Framework CBS has the same meaning as *Early Childhood Education and Care Services National Law* (the National Law).

The Directorate is working towards providing children and families with a seamless education and care experience through the day and transitions between the different levels of schooling.

SET UP FOR SUCCESS: AN EARLY CHILDHOOD STRATEGY FOR THE ACT

The Directorate is committed to the alignment of CBS and existing OSHC services with the *Set up for Success: An Early Childhood Strategy for the ACT* (Set up for Success) in the future. There is an expectation that providers will also progressively align with the requirements of the Set up for Success over time. Schools and the ECEC sector will mature and redevelop their governance, business and operational models to meet emerging initiatives under Set up for Success.

From January 2020, implementation of 2 days of free quality early childhood education for three-year-olds experiencing vulnerability is occurring at selected sites. This program is known as the 3 year-old initiative and is an initiative under Phase One of Set up for Success.

Providers wishing to partner with the Directorate to deliver the 3 year-old initiative only will need to be successful in prequalification under the *Prequalified Panel of CBS Providers* through the streamlined process.

Prospective providers can choose to partner with other providers, services or organisations to deliver the objectives of Set up for Success including the 3 year-old initiative under a consortium or auspice model. They are not required to offer OSHC services to engage with the 3 year-old initiative.

BACKGROUND

Collaboration between CBSs is a foundation of best practice in children's early childhood learning and development and is most successful when it is an integral part of the schoolⁱ. This has demonstrable benefits in relation to relationships with families and children, consistent pedagogy, transitions and early support for health and social needs.

In the past the connections between service providers and schools have been varied with some viewing CBS as outside the scope of the schools. The new CBS Procurement Framework (the Framework) seeks to build strong communities for learning and strengthen systems to focus on equity and quality as described in the ACT Future of Education Strategyⁱⁱ.

Across the ACT, CBS operate from Directorate facilities providing services to the ACT community that meet family, school and community needs that typically include before and after school and vacation care. OSHC services are available at the majority of primary schools and early education centres.

Prior to the implementation of the Framework schools managed the engagement of CBS providers at the individual school level. This arrangement has resulted in inconsistent application of practice and service level engagement across ACT public primary schools.

The first key feature of the Framework is to establish a consistent process for the engagement and management of services across all public schools in OSHC. The second key feature of the Framework is to allow the Education Directorate to partner with ECEC providers and services to deliver strategic policy goals in early childhood.

This Framework acknowledges the importance of collaborative partnerships between the Directorate, CBS providers and schools to support a continuum of best practice that generates high quality outcomes for children.

In 2019 improved interim licence agreements were negotiated with existing OSHC providers to allow for continuity of delivery while the review of formal CBS arrangements for the future took place. Lessons learnt and feedback from stakeholders has influenced the new form of agreements for 2020 and beyond.

The focus of this Framework is on achieving value for money, risk management and engagement of services that align with the values of the Future of Education Strategy and the Early Childhood Strategy, as well as the delivery of high-quality services that meet the requirements of the National Law.

The CBS procurement process will be facilitated through the Strategic Procurement Unit, supporting schools to meet Territory procurement rules and regulations.

OBJECTIVES

The Framework is designed to engage high quality CBS services in collaboration with ACT public schools beginning with all CBS that currently operate from facilities owned by the Directorate. The Framework is being implemented with the objectives to:

1. Strategically partner with eligible education and care providers to deliver CBS and deliver strategic policy goals in early childhood.
2. Foster collaborative partnerships between schools, families and providers (the stakeholders).
3. Ensure systematic, transparent and fair processes are used that meet procurement rules and regulations.
4. Ensure equitable and affordable access to CBS is available in all communities.
5. Provide increased levels of support to schools in the management of services by:
 - establishing a panel of high quality providers that meet the needs of school communities
 - supporting schools to identify high quality providers that meet the unique needs of the school community
 - providing centrally managed procurement and contract management functions
 - creating consistent expectations of collaborative relationships between schools and CBS
 - alleviating the administrative burden in schools.

POLICY CONTEXT

The Framework has been developed with a specific focus on the *Early Years Learning Framework* and the *My Time, Our Place – Framework for School Age Care in Australia*ⁱⁱⁱ in assessing and identifying high quality providers. The principles are reflected in the Framework through the assessment criteria and conditions of the agreements with CBS providers. The five Principles are:

1. Secure, respectful and reciprocal relationships – between children, between children and adults and amongst adults are the foundation for the CBS service - children are supported to develop their self-esteem and positive self-image.
2. Partnerships – a commitment to collaborative care of children as they move on a continuum from day time to after school care. Strong links between schools, CBS providers (including day care, preschool and OSHC) and families with recognition of the significant contributions made by each group.

3. High expectations and equity – professional, knowledgeable and appropriately skilled CBS staff continually provide equitable and effective access for all students to maximise their opportunity to participate, learn and develop without barriers.
4. Respect for diversity – providing opportunities for children to explore their similarities and difference and assimilate these into their own world view; respect for the values and beliefs of others fostering a sense of belonging.
5. Ongoing learning and reflective practice – establishing a culture of critical self-reflection, analysis and evaluation of programs and practice to inform continuous improvement and development. Continued professional development for staff informed through reflection.

PROCUREMENT PROCESS

All procurement activities undertaken on behalf of the Territory are governed by the *Government Procurement Act 2001* (the Act) and the *Government Procurement Regulation 2008* (the Regulation). The Act states that all processes must pursue value for money in undertaking procurement, defined as the best available outcome, not necessarily the lowest in cost and have regard to probity and ethical behaviour, open and effective competition, optimising whole of life costs and anything else prescribed by regulation. The developed procurement model allows for systematic application of policies, procedures and practices, risk management, consistent decisions and quality of service. ^{iv}

According to the Regulation, where the costs of goods or services is \$200,000 or more, a public tender process is required.

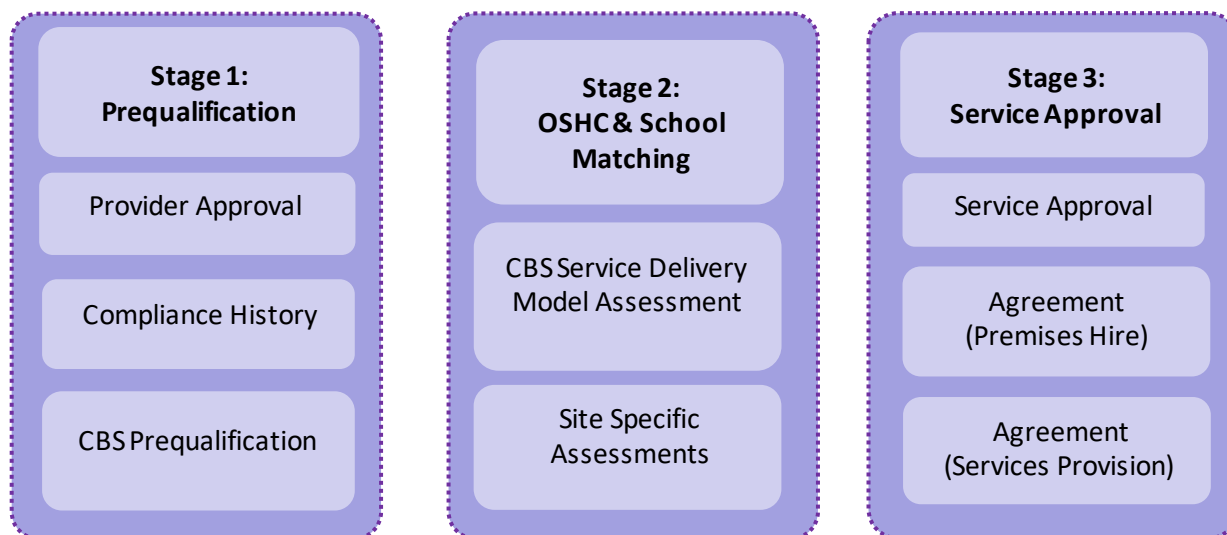
While the engagement of CBS does not incur a direct cost to the Directorate the collective value of the services far exceeds \$200,000. Ultimately parents are responsible for the cost of CBS services for their children, however, the Directorate has the responsibility to work with stakeholders to ensure that the CBS aligns with the Procurement Act and the Regulations and the National Law.

The Framework provides consistency and compliance with Territory procurement as well as alignment with the National Law at its core. At the same time, it is acknowledged that schools (Principals, Business Managers, other staff and community members) have a part to play in the consultation process for their knowledge and understanding of the needs of their school community. The implementation of this Framework does not diminish the schools' contribution to the engagement of CBS.

Procurement Stages

The Framework includes a three-stage assessment (full) process for CBS services wishing to deliver OSHC at an ACT public school facility and a streamlined assessment process for CBS wishing to partner with the Directorate to deliver the 3 year-old initiative only.

The following diagram represents the stages of the full procurement process. For providers wishing to partner with the Directorate to deliver the 3 year-old initiative a streamlined process is available where there is no requirement to undertake Stage 2.



Stage 1: Prequalification

All current and potential providers must provide information for prequalification assessment in order to be considered a 'suitable' provider for Stage 1. Suitable providers will form the *Prequalified Panel of CBS Providers* and will be eligible to either provide services across ACT public schools, partner with the Directorate to deliver the 3 year-old initiative, or both. Providers maintain this status through ongoing performance assessment through contract management.

The Strategic Procurement Unit will oversee prequalification assessment. An evaluation panel will be established to undertake the assessment (further information on the panel is outlined below).

Stage 1 assesses the organisational capacity and capability of the potential provider to deliver a CBS in ACT public schools and/or a provider's ability to partner with the Directorate to deliver the three-year-old initiative. Stage 1 can either be undertaken under a full process or a streamlined process:

Stage 1 – Full Process (OSHC and 3 year-old initiative)

The full process is for providers who wish to deliver services from Directorate facilities. All current and potential CBS provider must provide Applicant and Entity Identification, Referees, Values and Ethical Framework, Governance Leadership and Organisational Capacity, Administration and Resource Management and identify health and Safety process for Students and Staff (refer to [Attachment A](#) for criteria summary).

Stage 1 – Streamlined Process (3 year-old initiative only)

The streamlined process is for providers who do not intend to deliver services from Directorate facilities and to partner with the Directorate to deliver the three-year-old initiative only. Providers wishing to partner with the Directorate to deliver the 3 year-old initiative only, must provide Applicant and Entity Identification, Referees, and Governance Leadership and Organisational Capacity (refer to [Attachment B](#) for criteria summary).

Provider Approval granted by the ACT Regulatory Authority (CECA) is a co-requisite in the application process, however this is not an exemption – all current and prospective providers must complete the application process as we move to the new agreements.

The assessment will consider the size and scale of individual organisations and the level of evidence provided against the criteria should reflect the scale of the organisation. For example, where a potential provider is seeking to deliver an OSHC CBS at a single site the organisational governance required would vary considerably when compared to an organisation seeking to deliver five or more services. Potential providers are asked in the application process to indicate the quantum of services they wish to deliver and indicate their preference for school sites or regions within the ACT to assist schools to identify and assess potential providers willing to provide CBS at their school.

Where a potential provider has previously provided services under the National Law their compliance history will be requested from CECA and taken into consideration during the assessment.

New providers entering the ACT may apply to be added to the *Prequalification Panel* at any time. Prequalification is not a guarantee of work with the Territory or any of its agencies.

The CBS Panel of Prequalified Providers established from the prequalification process will be current until December 2024.

Stage 2: Service Delivery – School Matching or CBS Matching

Please note, for providers wishing to partner with the Directorate to deliver the 3 year-old initiative only, this Stage is not applicable.

Providers intending to deliver an OSHC service or partner with the Directorate to deliver strategic policy goals in early childhood are required to provide a response to service delivery model criteria. This will be assessed for service provision in consultation with schools, where applicable.

Stage 2 assessment focuses on the program and service model offered by the potential provider. For 2020 implementation, school representatives (Principals, Business Managers or other School Executive) will be consulted in the evaluation of criteria and the applicant's capacity to address:

- school and directorate values
- social value to the school and community
- demonstrated understanding of the needs of the local community
- ability to work in partnership and collaboration with the Directorate, schools and other organisations.

Potential providers will be required to provide information on the proposed fees to be charged as well as terms and conditions of service with the aim of providing full disclosure so that the best choices in regard to cost and quality service for families can be made.

Stage 3: Agreements and Service Approval Application

Once the offer to deliver services at a site/s has been made, an agreement with the Territory will be executed. The provider must then apply for a service approval from CECA. The agreement will be void in the absence of a Service Approval.

ASSESSABLE CRITERIA

Potential providers are required to provide comprehensive information against criteria. Relevant information provided through the *Prequalification Application Kit* will be shared with the ACT Regulatory Authority as required, to minimise duplication of process for potential providers.

Stage 1 Prequalification and Stage 2 Service Model (if applicable) assessment reflect the expectations of assessments and audits undertaken by the ACT Regulatory Authority.

EVALUATION PANEL MEMBERS

The Strategic Procurement Unit will manage and coordinate the evaluation of all stages of the assessment process. Evaluation panels will consist of at least three members and comprise senior officers with relevant expertise.

- Panel members for stage 1 will comprise of at least 3 of the following:
 - Chair – Senior Director/Director, Strategic Procurement – Procurement and probity expertise.
 - Member – Principal or Director School Improvement – Education and early childhood expertise and understanding of schools' needs.
 - Member – Senior Director/Director, Education and Care, Regulation and Support – Education and early childhood expertise and understanding of National Law.
 - Member – Early Childhood Policy – Education and early childhood expertise and understanding of Set up for Success.

The Evaluation Panel will undertake assessment of Stage 1 and provide a recommendation to the delegate on whether the potential provider is 'suitable' or 'not suitable' for prequalification and inclusion as part of the *Prequalified Panel of CBS Providers*.

Where relevant, consultation with schools' representatives (Principal and/or other Executive) will occur to evaluate potential providers responses under Stage 2 and identify OSHC providers that best meet school and community needs. New schools or schools requiring a new CBS service will review multiple provider responses and be required to consider at least three responses prior to identifying a preferred provider.

The Delegate for both the procurement process and formal agreements is the Executive Branch Manager, Strategic Finance and Procurement.

Once a preferred provider has been identified, Strategic Procurement will notify the provider and facilitate negotiations and consultation with the school. Strategic Procurement is responsible for the preparation of the agreement documents.

AGREEMENTS AND SERVICE APPROVAL

The Directorate has developed standard Agreements for CBS providers in ACT public schools and providers wishing to partner with the Directorate to deliver the 3 year-old initiative. These agreements have standard terms and conditions that will apply to all providers. The Strategic Procurement Unit (in collaboration with the Government Solicitors Office) will prepare and issue agreements to selected providers for 2022 and beyond.

A single service agreement for each provider specifies the terms and conditions with schedules referring to the services and arrangements at each school site. Schools and providers have the opportunity to negotiate and agree on site specific issues and requirements which will be outlined in the schedules.

Agreements will require successful providers to share stipulated de-identified data for the purposes of evaluation, capacity management and managing inclusion.

USE OF FACILITIES FEES

Please note, for providers wishing to partner with the Directorate to deliver the 3 year-old initiative only from their own facility, this section is not applicable.

The Directorate has developed a schedule of fees specifically for providers of OSHC using school facilities for service provision. The schedule of fees will be applied consistently across all sites. The fee is a contribution

towards the costs of maintaining and operating school facilities and includes rent, outgoings, repairs and maintenance.

Where the delivery of a service is deemed to be in the best interests of the school but the demand for OSHC services is limited, the Directorate may step in and negotiate appropriate facilities fees with individual providers to ensure equitable services are available across all school communities.

The Facilities Fees are calculated using a prescribed formula that inputs unique data for each school site. This will be reviewed annually. The Directorate reserves the right to reasonably increase fees annually.

OSHC providers will not offer financial incentives to schools. P&C providers are encouraged to reinvest surplus revenue back into the delivery of quality services or reduce the fees charged to families, however they can make monetary donations to the school.

CONTRACT MANAGEMENT – OSHC

Please note, for providers wishing to partner with the Directorate to deliver the 3 year-old initiative only, this section is not applicable.

On a day to day basis the operational relationship with the OSHC provider will be managed by the school. The Strategic Procurement Unit will be responsible for strategic contract management and monitoring of providers and CBS. Providers will be monitored and required to report on an annual basis on:

- Currency of appropriate insurances
- Financial viability
- Performance (demand and supply, service gaps, suggestions innovation, systemic issues)
- Reporting of incidents (ongoing reporting requirement).

OSHC providers will also be required to publish the fees of services and make this information publicly available. The Directorate will monitor the revenue returns of OSHC services to ensure that surplus revenue is not being derived at the expense of quality service delivery or cost of services to parents.

Further Information

If you would like further information, please contact the Strategic Procurement Unit on edustrategicprocurement@act.gov.au

ATTACHMENT A – CBS PROVIDING ECEC IN DIRECTORATE FACILITIES

Stage 1 – Full Process

Please note, the full process is for providers who wish to deliver services from Directorate facilities.

Applicant & Entity Identification

** Provider Approval requirements plus the following:

- Organisational Chart
- GST exemption
- Professional memberships
- Sub-contracting or brokerage

Referees

Provider Approval & Current Accreditation

Nature of Education/Care Provision

Values and Ethical Framework

- Mission statement
- Code of Conduct/ethics and process
- Social value of the Organisation and reinvestment in CBS
- Legislative compliance (WHS, IR, EEO)
- Continuous self assessment and continuous improvement

Governance Leadership & Organisational Capacity

- Strategic Plan, organisational structure, roles and responsibilities
- Key performance indicators, monitoring & improvement
- Financial viability & Business Plan
- Risk management and insurance
- Policies & Procedures (contextualised)

Administration & Resource Management

- Staffing, recruitment, retention, professional learning, qualifications & student/staff ratios
- Record keeping – ethical & complete
- Communication process protocols
- Complaints process
- Risk Management

Health & Safety for Students and Staff

- Protection of health, safety & wellbeing
- Hygiene, nutrition, safe food handling
- Medical practices, records & handling
- Child protection law & obligations

Stage 2 – School Matching

Please note, for providers wishing to partner with the Directorate to deliver the 3 year-old initiative only, this Stage is not applicable.

Applicant Preferred School Sites Selection and Hours of Service

Educational Program and Practice

- Alignment with the *Early Years Learning Framework* and *My Time, Our Place* Framework
- High quality programs that:
 - develop identity, connectedness, confidence & well being
 - support disabilities, and students experiencing vulnerability or disadvantage
 - work sensitively with culture, religion and heritage
- Validation of program quality
- Programs supporting student transition

Delivery of a Quality Service

- Practices meet regulatory requirements
- Compliance history & history of service ratings against the National Quality Standard
- Continuous improvement, Self-assessment and evaluation of services such as Quality Improvement Plans
- Fees structures, inclusions, exclusions, concessions and payment arrangements

Relationships with Children and Collaborative Partnerships with Stakeholders

- Partnerships with stakeholders in development of programs, delivery of service and decision making
- Promoting interaction, positive behaviour and protect dignity, physical and psychological wellbeing
- Providing positive guidance, fostering acceptable behaviours and interpersonal relationships in students
- Community accessibility – authorised access to parents, carers etc
- Effective, timely user focussed communication appropriate to the audience.
- Appropriate parent/carer access

ATTACHMENT B - CBS PROVIDING ECEC FOR THE 3 YEAR-OLD INITIATIVE

Stage 1 – Streamlined Process

The streamlined process is for providers who do not intend to deliver services from Directorate facilities and wish to partner with the Directorate to deliver the three-year-old initiative only.

Applicant & Entity Identification

** Provider Approval requirements plus the following:

- Organisational Chart
- GST exemption
- Professional memberships
- Sub-contracting or brokerage

Referees

Provider Approval & Current Accreditation

Governance Leadership & Organisational Capacity

- Strategic Plan, organisational structure, roles and responsibilities
- Key performance indicators, monitoring & improvement
- Financial viability & Business Plan
- Risk management and insurance
- Policies & Procedures (contextualised)
- Staffing, recruitment, retention, professional learning & qualifications

ⁱ Fact Sheet: Two years are better than one – Preschool programs in the ACT; Mitchell Institute; Victoria 2016
<http://www.mitchellinstitute.org.au/wp-content/uploads/2016/11/ACT-Fact-Sheet-FINAL.pdf>

ⁱⁱ Future of Education Strategy; ACT Education Directorate <https://www.education.act.gov.au/the-future-of-education/home/resources?a=1231080>

ⁱⁱⁱ My Time Our Place Framework https://www.acecqa.gov.au/sites/default/files/2018-05/my_time_our_place_framework_for_school_age_care_in_australia_0.pdf

^{iv} ACT Procurement Policy; https://www.procurement.act.gov.au/about/procurement_circulars/procurement-related-policies

