

An Update from the MADCAPS Management Committee

On 17th September we had our AGM and elected a new Management Committee for the centre. As you are probably aware MADCAPS is a not-for-profit community run childcare service that relies on volunteers to keep the centre open. Without a management committee of between 7-11 members, the centre would not be able to open. We do still have places on the new committee and encourage parents to consider joining and contributing to the continued operation of this vital service. We are look for up to 2 more members to join our committee.

I would like to thank the parents who did elect to be part of the 2018-2019 committee. There details are:

- **Rebecca Ryan - Chairperson** (serving on the committee since 2012 including as chairperson and Assistant Chairperson)
- **Amanda Swarts - Assistant Chairperson** (serving on the committee since 2013 and as Assistant chair since 2017)
- **Justine Low - Treasurer** (committee member since 2017)
- **Kylie Ritchie - Secretary** (committee member since 2017)
- **Jo Anderson** - General committee member (serving on the committee since 2010 and having taken on roles including Assistant chair, treasurer and secretary)
- **Heather Jardine** - General committee member (committee member since 2017)
- **Amelia Baltovich** - General committee member (committee member since 2017)
- **Robyn Anderson** - General committee member (committee member since 2017)
- **Renee Manning** - General committee member (returning committee member this year, previously served on the 2013 committee)

I would like to acknowledge Lisa Sandercock who has left the committee this year after being an important member since 2010 and serving as secretary from 2010-2012. Thanks also Zoe O'Malley who was a committee member from 2017 until 2018.

REED new structure update

The MADCAPS management committee has been an active contributor to plans to improve the delivery of childcare across the wheatbelt for many years. As a result of working in isolation under a volunteer management structure, the centre has struggled to maintain appropriate staffing levels and meet the changing regulatory challenges of the childcare industry. The committee has been supported by the Merredin Shire financially as well as by our Shire Representative Leah Boehme who has advocated for better support for our centre and centres like ours at a local government level. We have also received continued support from the office of Hon. Mia Davies MLA who pushed for funding to create a coordinated solution to childcare in the regions. As a result of this, in 2015 research and funding was allocated to review and recommend changes to the delivery of childcare in the WA wheatbelt. Following this research in 2017/2018 a new childcare structure has been established to amalgamate services across our region.

REED Inc (Regional Early Education and Development) is the new organisation that will be looking to take over the operational management of MADCAPS and many other centres in the coming 12-24 months or more.

Comments attributed to Community Services Minister Simone McGurk: *"In regional WA, the provision of childcare is a challenge, in part, due to the difficulty of keeping small, sometimes isolated, community-based services viable...If we didn't change the way childcare services were being managed in the regions, we faced serious risk of childcare centres closing, a lack of skilled workers and negative impacts on child development with long-term consequences....Childcare services generate and support local jobs. They facilitate economic development and jobs growth by supporting parents to re-enter the workforce while raising their children...Childcare services can often be a factor in a family's decision to either relocate or stay in a rural community, and that's also why we're pleased to support the development of services that are both sustainable and meet local needs."*

Comments attributed to Regional Development Minister Alannah MacTiernan: *"Regional communities have made it clear that access to childcare is critically important to retaining young families in the regions and increasing the participation of women in regional economies... This is a good investment of Royalties for Regions funding, helping to strengthen workforce participation in the Wheatbelt."*¹

¹ Extracted from this media statement Friday, 16 March 2018

<https://www.mediastatements.wa.gov.au/Pages/McGowan/2018/03/New-approach-in-the-Wheat-belt-to-secure-childcare-future.aspx>

Following its first meeting in March 2018, the Board of REED has been finalising a number of matters including:

The establishment of 4 Board Committees – Governance, Audit and Risk, Human Resources and Narrogin Transition;

- *The finalisation of an administration and management structure for REED; these are the positions for which we have received State Government funding;*
- *A strategic plan and risk assessment document involving Board members in several workshops is being developed;*
- *The first instalment of Lotterywest funding has been received to progress the setting up of REED through Jill Cameron and Associates;*
- *Terms for Board members have been confirmed with Helen Creed (Chair), Jane Lui and Mark Morrissey (3 years), Heidi Cowcher (Deputy Chair), Paul Schutz and Tom Kendall (2 years) and Anika Keeling, Fleur Wilkinson and Kim Guelfi (1 year). Some brief background information about each of the Board members can be downloaded here (<https://gallery.mailchimp.com/3223b7754ffdb8bff01ad5ba/files/6fe9b9a1-4a19-42f0-b452-7f9251297027/DRAFT.BoardMember.Profiles.Short.pdf>)²*

During September our valued office administrator; Trish Fernihough, left the employ of MADCAPS after being hired by REED and we congratulate Trish on being the first of our staff to be selected and employed in the new REED organisation. Trish will be an office manager for our centre and other centres who become a part of REED in the future. Parents will have seen Coralie Endersbee in the office, who is filling in until MADCAPS moves into the REED structure when we anticipate Trish's return to her normal office chair. This will of course depend on if and when MADCAPS chooses to become a part of REED.

The committee foresee the following potential benefits and problems from the upcoming change and will need to closely examine and consider all of these important issues.

Potential Benefits to joining REED	Potential problems
<ul style="list-style-type: none"> • Continued and long term sustainable operation of childcare in Merredin • The operation and management of the centre will be administered by hired and qualified professionals instead of by volunteer parents with no professional experience in childcare or business management or time to run the business • Access to a broader pool of staff (staffing the centre with qualified educators has been a key difficulty faced by committee for many years) • Access to high-quality programs which contribute to children's development in their 	<ul style="list-style-type: none"> • Changes to staff positions, staffing and staff security • Reduced community control of the centre and responsibility for the centre • Fees may (are likely to) increase as the organisation will be hiring staff to complete the roles previously completed by volunteer parents on the committee. • The centre's management committee will need to interrogate, approve and adopt a new constitution • Potential profit from the service will be used by REED to make all services in the structure viable, whereas now it is re-invested into

² This is an extract from the REED June 2018 email update

<p>critical early years and will improve the assessment and rating of the centre</p> <ul style="list-style-type: none"> • Access for staff to professional development and job opportunities within the new structure • Collaboration and networking, a coordinated approach to childcare across the wheatbelt • Little to no reliance on volunteer parents to operate the centre • An opportunity for parents to form a committee to make decisions about fundraising for the centre and to continue community support and connectedness • REED is a not-for-profit organisation, not a private business • REED will ensure the financial viability of the service and all services it takes over in the region • The staff currently employed and level of care is likely to stay the same as the industry is understaffed across the country • The level of care should stay the same and hopefully improve with access to broader program and professional development resources • Current funding is short term and not guaranteed in the future. Being part of the larger business structure will make the centre more financially secure (economies of scale) 	<p>MADCAPS only.</p> <ul style="list-style-type: none"> • Changes may inconvenience families as enrolment and other centre processes, policies and procedures will change to align with those followed by REED. MADCAPS will lose autonomy. • The Madcaps business name, logo and identity will be lost and the centre renamed REED Merredin • There are no guarantees about the outcomes of the change • The change may cause problems and challenges we have not considered yet
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Although this is a change our committee has been pushing for since 2015, we are now at a stage that MADCAPS needs to make decisions about its transition to the new structure. If you are interested in understanding this further, I strongly encourage you to join the committee and be a part of the decision making that will lead to significant changes for the centre in the next 12 months and beyond.

Our next committee meeting is 5:00pm Monday 15th October and I hope to see you there :)

Sincerely,

Rebecca Ryan

(Chairperson MADCAPS Management Committee)

Why is there a need for a single Early Education and Care (ECEC) organisation in the Wheatbelt?

For many years, despite additional financial support from the Commonwealth and WA State Government, many ECEC services have not been able break even financially, which threatens their viability and survival.

Managing an ECEC service is challenging - no different from operating a small business. Many services struggle to recruit Committee Members with the time and experience needed to meet ever changing legal and financial responsibilities.

Attracting and keeping staff can be difficult.

In small communities, the number of children in each age group varies from year to year, which in turn affects the number of children enrolled and income generated.

With support from the WA Government and Lotterywest, a new model for the governance and management of clusters of ECEC services

has been developed and tested. Regional Early Education and Development Inc (REED) has now been funded to implement the new model and become the single governance and management organisation for not-for-profit ECEC services across the Wheatbelt. This exciting initiative recognises the value of ECEC for children, families, communities and the rural economy. REED aims to improve financial viability and ensure ECEC services in the Wheatbelt continue to operate and thrive!

Following the launch of the organisation by the Minister Hon Simone McGurk, the REED Board is up and running and is currently developing its strategic plan.

The primary responsibility of REED will be:

- **The employment of staff**, for example, managing salaries, tax and professional development.
- **Becoming the Approved Provider** of the ECEC service, ensuring regulatory requirements are met, and liaising with

the regulatory body in Western Australia, ECRU.

- **Financial management** including the development of ECEC service budgets.

What will this mean for our Centre?

Over the next two years, services will be able to merge with REED. Quite a few services have already indicated that they would like to merge as soon as possible.

RSM who will be well known to many families across the region are undertaking a 'due diligence' process to develop an accurate picture of the financial position of each service. This information will be useful for Management Committees and Shires as well as for REED.

REED's General Manager Kylie Helgesen is also asking services to provide information and is arranging visits to all Wheatbelt services. This will assist service staff, Management Committees and Shires to understand the impact of proposed changes, including changes to the Commonwealth Child Care Subsidy.

What will Cluster management mean for our service?

Your service will continue to operate as a local service.

Cluster Managers will shortly be appointed to support individual services and staff will have more opportunities to participate in professional development and have greater access to networking opportunities and information sharing.

How will Management Committees be affected?

When services make the decision to fully merge with REED, existing Management Committees will be relieved of administrative pressures and will no longer be responsible for ensuring that the service complies with regulatory and legislative requirements. Services will be able to choose to have a Family Advisory Group which won't have legal or fiduciary responsibilities.

What resources will be available to support our decision making process?

Over the past 2-3 years during the research and development stage, project Updates have been sent to Management Committees and Shires.

In this next implementation stage, parents are likely to have questions about how the new model of service delivery will affect them and their children. This is the first in a series of Information Sheets for Parents intended to answer parents' questions.

As REED staff are appointed they will be available to provide information, support and advice to assist Management Committees and Shires work through decision making and merger processes.

If you have a question you would like answered, it's very likely that other parents will have the same question. You're therefore invited to email your question to Kylie Helgesen:

khelgesen@iinet.net.au



Helen Creed
Board Chairperson