

7.01 GOVERNANCE AND MANAGEMENT OF THE SERVICE

QUALITY AREA 7 | VERSION 1.0



PURPOSE

This policy outlines the duties, roles and responsibilities of the Approved Provider/Board of Approved Provider.

POLICY STATEMENT

VALUES

In order to fulfil our mission, LEVNT ECS Service operate to educate children in a Christian environment by providing inspiring education opportunities that enable them to reach their full potential. The foundation of Lutheran Education is the gospel of Jesus Christ which informs all learning and teaching, all human relationships and all activities of LEVNT EC Services.

Therefore, LEVNT EC Services are committed to:

- robust and effective governance and management policies and procedures.
- accountability to their stakeholders.
- effective systems of risk management, financial and internal control, and performance reporting.
- compliance with all regulatory and legislative requirements placed on the organisation, including space, equipment and facilities, confidentiality of records and notifications and reporting.
- the organisation remaining solvent and compliant with all its financial obligations.
- the ongoing cycle of self-assessment, planning and review, embedding a culture of quality improvement.

SCOPE

This policy applies to the Approved Provider, the Board of the Approved Provider, and all subcommittees of the Board of the Approved Provider.

BACKGROUND

The governance of an organisation is concerned with the systems and processes that ensure the overall direction, effectiveness, supervision and accountability of a service. The Approved Provider must ensure that there are effective systems, procedures and processes in place to support the service to operate effectively and ethically, and all legal and regulatory requirements governing the operation of the business are met.

Under the Education and Care Services National Law Act 2010 and Education and Care Services National Regulations 2011, early childhood services are required to have policies and procedures in place relating to the governance and management of the service, including confidentiality of records (refer to Privacy and Confidentiality Policy).

DEFINITIONS

The terms defined in this section relate specifically to this policy. For regularly used terms refer to the Definitions file of each LEVNT ECS policy folder.

Actual conflict of interest: One where there is a real conflict between a Board Director's responsibilities and their private interests.

Conflict of interest: An interest that may affect, or may appear reasonably likely to affect, the judgement or conduct of a Director (or Directors) of the Board or member(s) of a subcommittee, or may impair their independence or loyalty to the service. A conflict of interest can arise from avoiding personal losses as well as gaining personal advantage, whether financial or otherwise, and may not only involve the Director of the Board or member of the subcommittee, but also their relatives, friends or business associates.

Continuous improvement: Ongoing improvement in the provision of quality education and care services. The National Quality Framework aims to raise quality and drive continuous improvement through the National Quality Standard and quality rating processes. Quality rating encourages continuous improvement and engages the Approved Provider and their services teams in

self-assessment and documenting their performance against the National Quality Standard. Providers of high-quality services regularly monitor and review their performance to guide planning and make improvements.

Development of professionals: A system of regular performance review, individual learning and development plans for educators, staff and co-ordinators. Performance planning and review ensures that the knowledge, skills and practices of educators and other staff members are current, and that areas requiring further development are addressed.

Ethical practice: A standard of behaviour that the service deems acceptable in providing their services.

Fit and proper person: The regulatory authority assesses whether an Approved Provider or a person with management or control of a service is a fit and proper person to be involved in the provision of an education and care service. In determining whether they are a fit and proper person, the regulatory authority will consider:

- the person's history of compliance with any education and care services, children's services or education law, and any decision under one of those laws to refuse, refuse to renew, suspend or cancel a licence, approval, registration or certification issued to the person under that law
- their criminal history, to the extent that it may affect their suitability for the role of provider (including working with children clearance, such as a WWCC, or teacher registration details, jurisdiction dependant)
- whether they are bankrupt or insolvent
- whether they have the financial circumstances to enable them to sustain ongoing operation of a service
- whether they have a medical condition that may cause them to be incapable of being responsible for the service
- whether they have the management capability to operate a service
- actions taken under Commonwealth Family Assistance Law, including sanctions and suspensions.

Governance: The process by which organisations are directed, controlled and held to account. It encompasses authority, accountability, stewardship, leadership, direction and control exercised in the organisation (Australian National Audit Office, 1999).

Interest: Anything that can have an impact on an individual or a group.

Management system: A system to manage organisational risks and enable the effective management and operation of a quality service.

Perceived conflict of interest: Arises where a third party could form the view that a Board Director's private interests could improperly influence the performance of their duties on the Board, now or in the future.

Potential conflict of interest: Arises where a Board Director has private interests that could conflict with their responsibilities.

Private interests: Includes not only a Board Director's own personal, professional or business interests, but also those of their relatives, friends or business associates.

RESPONSIBILITIES

Actions which are legislated requirements of the ECEC sector are indicated with **LR**.

	Approved Provider and/or persons with management and control	Nominated supervisor and persons in day-to-day charge	Early childhood teachers, educators and all other staff	Parents, guardians and carers	Contractors, volunteers and those on student placement
Ensuring that obligations under the Education and Care Services National Law and National Regulations are met, as well as all other laws relevant to governance and management of the service	LR	✓			
Displaying the prescribed information in National Law: Section 172	LR	✓			
Providing information to the regulatory authority upon request in relation to being a fit and proper person	LR				
Ensuring that the service is insured and keep evidence of this	LR				
Ensuring that the number of children at the service does not exceed the maximum in the service approval	LR	✓			
Ensuring that the family of a child at the service is allowed to enter the premises	LR	✓			
Adopting quality governance and management processes, procedures and practices, in line with the National Quality Standard, especially Quality Area 7 – Governance and leadership	LR	✓			
Establishing systems of risk management, financial and internal control, and performance reporting. Monitor management and financial performance to ensure the solvency, financial strength and good performance of the service	LR	✓			
Developing, reviewing and approving the service philosophy and purpose, strategic direction and initiatives	LR	✓			
Taking reasonable steps to ensure that nominated supervisors, educators, staff and volunteers follow the Governance and Management policy and procedures	LR				
Ensuring that copies of the policy and procedures are readily accessible to nominated supervisors, co-ordinators, educators, staff, volunteers and families, and available for inspection	LR				
Notifying families at least 14 days before changing the policy or procedures if the changes will: <ul style="list-style-type: none"> - affect the fees charged or the way they are collected, - significantly impact the service’s education and care of children, or - significantly impact the family’s ability to utilise the service. 	LR				
Notifications and reporting					
Ensuring that all reporting and reporting requirements are met regarding the National Quality Framework, family assistance, taxation, child protection, and other relevant laws	LR	✓			

	Approved Provider and/or persons with management and control	Nominated supervisor and persons in day-to-day charge	Early childhood teachers, educators and all other staff	Parents, guardians and carers	Contractors, volunteers and those on student placement
Notifying the regulatory authority about the Approved Provider and operational changes, and changes in relation to the nominated supervisor, as detailed in National Law: Section 173	LR	✓			
Notifying the regulatory authority about changes to the 'fit and proper' status of the Approved Provider, any serious incidents, and complaints relating to a serious incident or that the Law has been contravened	LR	✓			
Health, safety and wellbeing					
Ensuring the health, safety and wellbeing of children in the service and taking every reasonable precaution to protect children from harm and hazard	LR	✓	✓		✓
Quality Improvement Plan (QIP)					
Ensuring there is an effective self-assessment and quality improvement process in place, including a QIP that is kept at the premises or and is made available for inspection and to families	LR	✓	✓		
Ensuring that the QIP is reviewed at least annually	LR	✓	✓		
Space, equipment, facilities					
Ensuring that requirements relating to the physical environment, space, equipment and facilities are met, including Regulations 104, 106, 107, 108, 109, 110, 116, 117	LR	✓	✓		✓
Educational needs and program					
Ensuring that children's educational and developmental needs are met	LR	✓	✓		
Early childhood teachers, educators and staff					
Ensuring that requirements relating to staffing are met, including implementing the Staffing policy and procedures	LR	✓			
Ensuring that roles and responsibilities are clearly defined, understood, and support effective decision making and operation of the service	LR	✓			
Ensuring that the performance of educators, staff and co-ordinators is regularly evaluated, and individual plans are in place to support learning and development	LR	✓			
Ensuring that a nominated supervisor, educators, staff, volunteers and contractors to whom a prohibition notice applies are not engaged by the service	LR				
Ensuring the educational leader is supported to lead the development and implementation of the educational program and assessment and planning cycle	LR	✓			
Nominated supervisors and responsible person					
Ensuring that requirements relating to the nominated supervisor and responsible person are met, including implementing the Staffing policy and procedures	LR				
Records and confidentiality					
Keeping a record of the service's compliance with the information listed in Regulation 167	LR	✓			
Keeping a record of enrolment and other documents listed in National Law: Section 175 at the service and be available for inspection by an authorised officer	LR	✓			
Ensuring that records are kept confidential and not divulged except as permitted under Regulations 181 and 182	LR	✓			
Ensuring that records are stored safely and securely for the period set out in Regulation 183	LR	✓			

	Approved Provider and/or persons with management and control	Nominated supervisor and persons in day-to-day charge	Early childhood teachers, educators and all other staff	Parents, guardians and carers	Contractors, volunteers and those on student placement
Keeping enrolment and attendance records and other documents listed in Regulations 160, 177 and 178, ensuring they are accurate and available to families on request. If a service approval is transferred, the documents must be transferred to the receiving Approved Provider.	LR	✓			

SPECIFIC PROCEDURES

Where the Approved Provider and Persons with Management and Control (PMC) are not the same person, the PMC is required to provide information as required by the Approved Provider to ensure the Approved Provider is able to ensure compliance.

Individual LEVNT EC Services may have their own procedures (approved by the Approved Provider) which are outlined in [Attachment 2: Related Service Specific Procedures](#)

EVALUATION

In order to assess whether the values and purposes of the policy have been achieved, the Approved Provider will:

- regularly seek feedback from everyone affected by the policy regarding its effectiveness
- monitor the implementation, compliance, complaints and incidents in relation to this policy
- assess whether a satisfactory resolution has been achieved in relation to issues arising from this policy
- keep the policy up to date with current legislation, research, policy and best practice
- revise the policy and procedures as part of a policy review cycle, or as required
- notify all stakeholders affected by this policy at least 14 days before making any significant changes to this policy or its procedures, unless a lesser period is necessary due to risk

AUTHORISATION & REVIEW

This policy was adopted by Lutheran Education VIC, NSW, TAS and ACT Ltd as Approved Provider for this service on 20 July 2023.

REVIEW DATE November 2025 or earlier as required.

ATTACHMENTS

ATTACHMENT 1: Core Elements of the Governance Model

The following are the core elements of the governance systems at LEVNT for which a Board is responsible:

Stewardship/Custodianship

Ensure:

- the service pursues its stated purpose and remains viable
- budget and financial accountability to enable ongoing viability and making best use of the service's resources
- the service manages risks appropriately.

Leadership, forward planning and guidance

Provide leadership, forward planning and guidance to the service, particularly in relation to developing a strategic culture and directions.

Authority, accountability, and control

- Monitor and oversee management including ensuring that good management practices and appropriate checks and balances are in place.
- Be accountable to members of the service.
- Maintain focus, integrity and quality of service.
- Oversee legal functions and responsibilities.
- Declare any actual, potential or perceived conflicts of interest.

LEGAL LIABILITIES OF MEMBERS OF THE BOARD

The Board of LEVNT is responsible under the constitution to take all reasonable steps to ensure that the laws and regulations relating to the operation of the service are observed. Members of the Board are responsible for ensuring that:

- adequate policies and procedures are in place to comply with the legislative and regulatory requirements placed on the service
- appropriate systems are in place to monitor compliance
- reasonable care and skill is exercised in fulfilling their roles as part of the governing body of the service
- they act honestly, and with due care and diligence
- they do not use information they have access to, by virtue of being on the Board improperly
- they do not use their position on the Board for personal gain or put individual interests ahead of responsibilities.

RESPONSIBILITIES OF THE BOARD

The Board of LEVNT is responsible for:

- developing coherent aims and goals that reflect the interests, values and beliefs of the members and staff, and the stated aims of the service, and have a clear and agreed philosophy which guides business decisions and the work of the Board and staff
- ensuring there is a sound framework of policies and procedures that complies with all legislative and regulatory requirements
- establishing clearly defined roles and responsibilities for the Board Directors, individually and as a collective, and the LEVNT EC Committee, and clearly articulate the relationship between the Board and the LEVNT EC Committee
- developing ethical standards and a code of conduct (refer to Code of Conduct Policy) which guide actions and decisions in a way that is transparent and consistent with the goals, values and beliefs of the service
- ensuring that the actions of and decisions made by the Board are transparent and will help build confidence among members and stakeholders
- focusing on the strategic directions of the organisation and avoiding involvement in day-to-day operational decisions, particularly where the authority is delegated to senior management staff within the service.

RESPONSIBILITIES OF THE BLEVNT EC COMMITTEE

The LEVNT EC Committee is responsible for:

- approve delegated policies and review and recommend to BLEVNT non-delegated policies;
- prepare and submit an annual report on the operations of each Early Childhood Service to BLEVNT;
- receive regular reports from the LEVNT Early Childhood Manager on the performance of each Early Childhood Service;
- delegate powers to each Service Leader and support them as required;
- ensure all Early Childhood Services oversee the implementation of EC policies and procedures developed by LEVNT and ensure these are followed;
- approve and oversee the implementation and maintenance of a Child Safety Program;
- adopt and oversee the implementation and maintenance of a Risk Management Program;
- ensure that an annual budget is prepared for each Early Childhood Service (in consultation with LEVNT), appraise, review and oversee income and expenditure against that budget;
- ensure that Early Childhood Service infrastructure is developed and maintained;
- maintain an overview of the quality and compliance of all Early Childhood Services within the Region;
- ensure all Early Childhood Services comply with the relevant regulators' requirements;
- ensure each Early Childhood Service complies with all legal requirements for an early childhood service operating as part of a registered charity, including the ACNC Governance Standards;
- advise BLEVNT on matters referred to it by BLEVNT;
- review and approve Early Childhood Service Strategic Plans;
- review Quality Improvement Plans for each Early Childhood Service;
- assist Early Childhood Services with development of loan applications and liaise with the BLEVNT Business Committee to make appropriate recommendations to BLEVNT for approval or otherwise;
- (note that members who have a conflict of interest for this item may present the case for a loan application but are not to participate in subsequent deliberations or vote on the matter)
- provide support with the development of long term plans for the development of the physical resources of LEVNT Early Childhood Services;
- support the work of the LEVNT Early Childhood Manager;
- ensure all Early Childhood Services have an active Community Advisory Group (CAG);
- establishing clearly defined roles and responsibilities for management and staff, and clearly articulate the relationship between the EC Committee, staff and members of the service;
- undertaking strategic planning and risk assessment on a regular basis;
- ensuring that the actions of and decisions made by the Committee are transparent and will help build confidence among members and stakeholders; and
- focusing on the strategic directions of the service and avoiding involvement in day-to-day operational decisions, particularly where the authority is delegated to senior management staff within the service.

CONFIDENTIALITY

All Board Directors and members of subcommittees who gain access to confidential, commercially sensitive and other information of a similar nature, whether in the course of their work or otherwise, will not disclose that information to anyone unless the disclosure of such information is required by law (*refer to Privacy and Confidentiality Policy*).

Board Directors and members of subcommittees will respect the confidentiality of those documents and deliberations at Board or subcommittee meetings, and will not:

- disclose to anyone the confidential information acquired by virtue of their position on the Board or subcommittee
- use any information so acquired for their personal or financial benefit, or for the benefit of any other person
- permit any unauthorised person to inspect, or have access to, any confidential documents or other information.

This obligation, placed on a Board Director or member of a subcommittee, will continue even after the individual has completed their term and is no longer on the Board or subcommittee.

The obligation to maintain confidentiality also applies to any person who is invited to any meetings of the Board or subcommittee as an observer or in any other capacity.

ETHICAL PRACTICE

The following principles will provide the ethical framework to guide the delivery of services at LEVNT:

- treating colleagues, parents/guardians, children, suppliers, public and other stakeholders respectfully and professionally at all times
- dealing courteously with those who hold differing opinions
- respecting cultural differences and diversity within the service, and making every effort to encourage and include all children and families in the community
- having an open and transparent relationship with government, supporters and other funders
- operating with honesty and integrity in all work
- being open and transparent in making decisions and undertaking activities, and if that is not possible, explaining why
- working to the standards set under the *National Quality Framework* and all applicable legislation as a minimum, and striving to continually improve the quality of the services delivered to the community
- disclosing conflicts of interest as soon as they arise and effectively managing them
- recognising the support and operational contributions of others in an appropriate manner
- assessing and minimising the adverse impacts of decisions and activities on the natural environment.

MANAGING CONFLICTS OF INTEREST

Conflicts of interest, whether actual, potential or perceived, must be declared by all Board Directors or subcommittee members, and managed effectively to ensure integrity and transparency.

Every Board Director or subcommittee member has a continuing responsibility to scrutinise their transactions, external business interests and relationships for potential conflicts and to make such disclosures in a timely manner as they arise.

Refer to the *LEVNT Conflict of Interest Policy* for details on managing conflicts of interest.

ATTACHMENT 2: Related Service Specific procedures

This page intentionally left blank for use by individual services if required.

REFERENCES

LEGISLATION & STANDARDS

- Corporations Act 2001, as applicable to the service
- Education and Care Services National Law Act 2010
- Education and Care Services National Regulations 2011
- National Quality Standard, Quality Area 7: Governance and Leadership

SOURCES

- ACECQA – Occasional Paper 5: Quality Area 7: Leadership and management in education and care services
acecqa.gov.au/media/25871
- ACECQA – Quality Area 7 resources <https://www.acecqa.gov.au/nqf/national-quality-standard/quality-area-7-governance-and-leadership>
- Australian Government – My business health asbfeo.gov.au/my-business-health/home
- ELAA Early Childhood Management Manual: <https://ela.org.au/resources/free-resources/eym-governance-support-manual/>
- ELAA EYM Governance Support Manual: <https://ela.org.au/resources/free-resources/eym-governance-support-manual/>
- Justice Connect: <http://www.justiceconnect.org.au/>
- Our Community: www.ourcommunity.com.au

RELATED POLICIES

- Code of Conduct
- Staffing
- Enrolment and Orientation
- Privacy and Confidentiality
- Compliments and Complaints